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Report of the Philippine Commission to the Secretary of War

United States Philippine Commission (1899–1900), United
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FIFTH ANNUAL REPORT
OF THE
PHILIPPINE COMMISSION.
1904.

IN THREE PARTS.

Part 3.

BUREAU OF INSULAR AFFAIRS, WAR DEPARTMENT.

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REPORT OF THE DEPARTMENT OF COMMERCE AND POLICE.

DEPARTMENT OF COMMERCE AND POLICE,
Manila, P. I., November 7, 1904.

SIRS: I have the honor to make the following report of the operations of the various bureaus of the department of commerce and police during the fiscal year ending June 30, 1904, and for the months of July and August, 1904:

BUREAU OF PHILIPPINES CONSTABULARY.

The Philippines Constabulary were increased from 275 officers and 6,774 enlisted men at the beginning of the fiscal year to 288 officers and 6,950 enlisted men at the close. The necessity and importance of this force are conclusively shown by the record of their performance during the year and by the fact that the American troops in the islands, numbering at the beginning of the fiscal year 18,000 men and occupying 79 posts, have been reduced to 12,000 men occupying 39 posts. Of the 50 companies of scouts, numbering 5,000 men, 31 companies were detailed to service under the chief of the Philippines Constabulary during the fiscal year and actively engaged in assisting in the maintenance of order. The present arrangement, however, is unsatisfactory in one respect. The scouts are under-officered, and as the law provides that they can only serve under the chief or assistant chiefs of the constabulary it is impossible to use the bulk of the officers of the Philippines Constabulary to supply the deficiency in the number of scout officers, thus creating a dearth of men who can command the scouts. This makes it impossible to divide the scouts up into small detachments, such as the peculiar needs of the service require. It is estimated that the efficiency of these troops could be increased 100 per cent if they were given the additional officers which the law has made provision for them to have. The value of native troops has passed wholly beyond the experimental stage and is demonstrated beyond question. The chief of the constabulary reports:

The service of the native troops has conclusively shown the wisdom of their creation. In the first place, they are efficient and relatively economical. In the second place, their organization, with the training and education they receive, materially aids in the development of the country. The experimental stage has passed.

The constabulary are to be congratulated upon having so far reduced the ladrones that it is now safe to travel practically throughout the archipelago. During the year the officials of all the departments of the government, including nearly 1,000 teachers, officers of the forestry bureau, mining bureau, bureau of agriculture, ethnological survey, provincial officers, supervisors and foremen in charge

of construction of roads, have traveled from end to end of the islands, penetrating regions hitherto unexplored and seeing people who have never before seen white men, and almost without exception have not been molested. Members of the Commission and other officials go freely everywhere unarmed and without guards. The activity of the constabulary has resulted in practically wiping out the curse of ladronism, which has done so much to render any real development of the islands impossible. They have hunted these scattered bands down, killed or captured the members, until now there are only a few of the old leaders left, and these skulk in the mountains with the weight of public opinion against them, many of the natives who used to help them now endeavoring to effect their capture and giving information of their whereabouts to the authorities, so that they hardly dare to sleep two nights in the same place. In the course of this work parties of constabulary have covered over 158,000 miles, as against 222,000 in the previous year. They have captured 706 fire-arms in 1904, as against 948, and it is believed that these captures have reduced the number of arms illegally held in the archipelago to such a point that there are at present outstanding not more than were captured in the last year. During the year they killed and wounded 570 outlaws, as against 1,185 in the previous year, and captured 1,364, as against 2,722. Their losses were 53 men and 2 officers killed this year, as against 78 men and 5 officers in the previous year. The loyalty of the men is demonstrated by the fact that there were but 52 desertions, as against 84 in the previous year, and considering that 23 of these were concerned in one mutiny, which was instigated by the return of the insurgent leader Ricarte, now serving a long term in Bilibid Prison, it can be seen that the percentage of desertions is so small that for all practical purposes it can be considered negligible.

For the purposes of administration the archipelago is divided into five constabulary districts. The first district, covering the provinces nearest Manila, is inhabited mostly by the Tagálogs, who have been the cause of most of the disturbances. This district has been under the very able command of Colonel Scott, whose enforced departure to the States on sick leave is very much regretted by the department. The whole district is in a condition of unprecedented tranquillity and, except for a handful of scattered outlaws, too hardly pressed by the constabulary to be able to gather any bands or to commit depredations, there are no disturbing elements to the peace of the community.

In the second district, comprising practically all of the south of Luzon, reports show everything more quiet than at any time in its history. The body of the outlaw Roldan and four of his companions were recently brought in by his own men for the reward offered by the government, thus removing the only disturbing element.

In the third district, comprising the Visayan Islands, the Pulajanes, who are religious fanatics, have recently become involved in an outbreak which extended through parts of Cebú, Leyte, and Samar. Bands of these people, armed with a few guns and many bolos, have kept in hiding in the mountains and have descended on the coast towns in different directions, burning a few houses and murdering a few people, mostly natives, and indiscriminately men, women, and children. The whole movement seems purposeless and is un-

doubtedly due to ignorance and superstition on the part of the men engaged in it. Several Americans, including one constabulary officer, have been killed, and a few enlisted men of the constabulary and scouts killed and wounded in addition during the months of July, August, and September, 1904. Additional companies of both constabulary and scouts have moved into the infected region and are pressing the Pulajanes very hard. The inhabitants of the coast towns seem to be loyal and inclined to help the troops in defending their towns against attacks. It is hoped in a short time to quell these disturbances, as there are already signs that the Pulajanes are tiring of it, and many captures have been made.

In the fourth district, comprising the provinces of northern Luzon, everything is reported quiet, except occasional disputes and small fights among the wild tribes. These difficulties have always existed.

In the fifth district, comprising the Moro provinces in Mindanao, the Americans have undertaken the advance of civilization among peoples who have never before been brought under modern rule. Indications are that the great island of Mindanao, with its immense potential wealth, will soon be as safe and available for development as any in the group.

The Commission, in its appropriation for the fiscal year 1905, has provided, for economical reasons, for a reduction of the constabulary force to 6,000 men, these reductions to take place gradually during the course of the year. This and the Pulajanes difficulties in the Visayan Islands have caused the civil governor to ask for seven additional companies of scouts, which have been assigned by the general commanding the Philippines Division to service under the chief of the constabulary, many of them being employed in Samar.

It frequently happens that where a Filipino is advanced to a position of authority that, until he becomes accustomed to the responsibilities of his office, he abuses his privileges. The enlisted natives need constant and rigorous supervision by competent officers to prevent their using their newly acquired authority to oppress the people they are supposed to serve.

There are occasional complaints in regard to abuses by the American officers, and these are given immediate and careful attention. Wherever any abuse is found to have been committed severe discipline is meted out to the offenders, but in most cases it is noticeable that the complaints come from the more lawless regions, and when investigated are likely to show that they emanated from people who are compelled to observe laws they wish to break and whose personal records are not above suspicion.

In general it can be said that the constabulary are a good, efficient organization, well officered, well manned, well drilled, and accomplishing in full measure the purpose for which they were organized.

INFORMATION DIVISION.

Under the operation of this division there have been 1,400 arrests of outlaws and other criminals. Eighty-one firearms have been captured. The natives have given ready, intelligent, and very valuable advice as detectives and secret-service agents, although there is great risk attached to this service, as shown by the fact that 6 out of a total rostrum of 118 of these officers were killed during the year.

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REPORT OF THE DEPARTMENT OF COMMERCE AND POLICE.

DEPARTMENT OF COMMERCE AND POLICE,
Manila, P. I., November 7, 1904.

SIRS: I have the honor to make the following report of the operations of the various bureaus of the department of commerce and police during the fiscal year ending June 30, 1904, and for the months of July and August, 1904:

BUREAU OF PHILIPPINES CONSTABULARY.

The Philippines Constabulary were increased from 275 officers and 6,774 enlisted men at the beginning of the fiscal year to 288 officers and 6,950 enlisted men at the close. The necessity and importance of this force are conclusively shown by the record of their performance during the year and by the fact that the American troops in the islands, numbering at the beginning of the fiscal year 18,000 men and occupying 79 posts, have been reduced to 12,000 men occupying 39 posts. Of the 50 companies of scouts, numbering 5,000 men, 31 companies were detailed to service under the chief of the Philippines Constabulary during the fiscal year and actively engaged in assisting in the maintenance of order. The present arrangement, however, is unsatisfactory in one respect. The scouts are under-officered, and as the law provides that they can only serve under the chief or assistant chiefs of the constabulary it is impossible to use the bulk of the officers of the Philippines Constabulary to supply the deficiency in the number of scout officers, thus creating a dearth of men who can command the scouts. This makes it impossible to divide the scouts up into small detachments, such as the peculiar needs of the service require. It is estimated that the efficiency of these troops could be increased 100 per cent if they were given the additional officers which the law has made provision for them to have. The value of native troops has passed wholly beyond the experimental stage and is demonstrated beyond question. The chief of the constabulary reports:

The service of the native troops has conclusively shown the wisdom of their creation. In the first place, they are efficient and relatively economical. In the second place, their organization, with the training and education they receive, materially aids in the development of the country. The experimental stage has passed.

The constabulary are to be congratulated upon having so far reduced the ladrones that it is now safe to travel practically throughout the archipelago. During the year the officials of all the departments of the government, including nearly 1,000 teachers, officers of the forestry bureau, mining bureau, bureau of agriculture, ethnological survey, provincial officers, supervisors and foremen in charge

1

doubtedly due to ignorance and superstition on the part of the men engaged in it. Several Americans, including one constabulary officer, have been killed, and a few enlisted men of the constabulary and scouts killed and wounded in addition during the months of July, August, and September, 1904. Additional companies of both constabulary and scouts have moved into the infected region and are pressing the Pulajanes very hard. The inhabitants of the coast towns seem to be loyal and inclined to help the troops in defending their towns against attacks. It is hoped in a short time to quell these disturbances, as there are already signs that the Pulajanes are tiring of it, and many captures have been made.

In the fourth district, comprising the provinces of northern Luzon, everything is reported quiet, except occasional disputes and small fights among the wild tribes. These difficulties have always existed.

In the fifth district, comprising the Moro provinces in Mindanao, the Americans have undertaken the advance of civilization among peoples who have never before been brought under modern rule. Indications are that the great island of Mindanao, with its immense potential wealth, will soon be as safe and available for development as any in the group.

The Commission, in its appropriation for the fiscal year 1905, has provided, for economical reasons, for a reduction of the constabulary force to 6,000 men, these reductions to take place gradually during the course of the year. This and the Pulajanes difficulties in the Visayan Islands have caused the civil governor to ask for seven additional companies of scouts, which have been assigned by the general commanding the Philippines Division to service under the chief of the constabulary, many of them being employed in Samar.

It frequently happens that where a Filipino is advanced to a position of authority that, until he becomes accustomed to the responsibilities of his office, he abuses his privileges. The enlisted natives need constant and rigorous supervision by competent officers to prevent their using their newly acquired authority to oppress the people they are supposed to serve.

There are occasional complaints in regard to abuses by the American officers, and these are given immediate and careful attention. Wherever any abuse is found to have been committed severe discipline is meted out to the offenders, but in most cases it is noticeable that the complaints come from the more lawless regions, and when investigated are likely to show that they emanated from people who are compelled to observe laws they wish to break and whose personal records are not above suspicion.

In general it can be said that the constabulary are a good, efficient organization, well officered, well manned, well drilled, and accomplishing in full measure the purpose for which they were organized.

INFORMATION DIVISION.

Under the operation of this division there have been 1,400 arrests of outlaws and other criminals. Eighty-one firearms have been captured. The natives have given ready, intelligent, and very valuable advice as detectives and secret-service agents, although there is great risk attached to this service, as shown by the fact that 6 out of a total rostrum of 118 of these officers were killed during the year.

of construction of roads, have traveled from end to end of the islands, penetrating regions hitherto unexplored and seeing people who have never before seen white men, and almost without exception have not been molested. Members of the Commission and other officials go freely everywhere unarmed and without guards. The activity of the constabulary has resulted in practically wiping out the curse of ladronism, which has done so much to render any real development of the islands impossible. They have hunted these scattered bands down, killed or captured the members, until now there are only a few of the old leaders left, and these skulk in the mountains with the weight of public opinion against them, many of the natives who used to help them now endeavoring to effect their capture and giving information of their whereabouts to the authorities, so that they hardly dare to sleep two nights in the same place. In the course of this work parties of constabulary have covered over 158,000 miles, as against 222,000 in the previous year. They have captured 706 fire-arms in 1904, as against 948, and it is believed that these captures have reduced the number of arms illegally held in the archipelago to such a point that there are at present outstanding not more than were captured in the last year. During the year they killed and wounded 570 outlaws, as against 1,185 in the previous year, and captured 1,364, as against 2,722. Their losses were 53 men and 2 officers killed this year, as against 78 men and 5 officers in the previous year. The loyalty of the men is demonstrated by the fact that there were but 52 desertions, as against 84 in the previous year, and considering that 23 of these were concerned in one mutiny, which was instigated by the return of the insurgent leader Ricarte, now serving a long term in Bilibid Prison, it can be seen that the percentage of desertions is so small that for all practical purposes it can be considered negligible.

For the purposes of administration the archipelago is divided into five constabulary districts. The first district, covering the provinces nearest Manila, is inhabited mostly by the Tagálogs, who have been the cause of most of the disturbances. This district has been under the very able command of Colonel Scott, whose enforced departure to the States on sick leave is very much regretted by the department. The whole district is in a condition of unprecedented tranquillity and, except for a handful of scattered outlaws, too hardly pressed by the constabulary to be able to gather any bands or to commit depredations, there are no disturbing elements to the peace of the community.

In the second district, comprising practically all of the south of Luzon, reports show everything more quiet than at any time in its history. The body of the outlaw Roldan and four of his companions were recently brought in by his own men for the reward offered by the government, thus removing the only disturbing element.

In the third district, comprising the Visayan Islands, the Pula-janes, who are religious fanatics, have recently become involved in an outbreak which extended through parts of Cebú, Leyte, and Samar. Bands of these people, armed with a few guns and many bolos, have kept in hiding in the mountains and have descended on the coast towns in different directions, burning a few houses and murdering a few people, mostly natives, and indiscriminately men, women, and children. The whole movement seems purposeless and is un-

doubtedly due to ignorance and superstition on the part of the men engaged in it. Several Americans, including one constabulary officer, have been killed, and a few enlisted men of the constabulary and scouts killed and wounded in addition during the months of July, August, and September, 1904. Additional companies of both constabulary and scouts have moved into the infected region and are pressing the Pulajanes very hard. The inhabitants of the coast towns seem to be loyal and inclined to help the troops in defending their towns against attacks. It is hoped in a short time to quell these disturbances, as there are already signs that the Pulajanes are tiring of it, and many captures have been made.

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TELEGRAPH DIVISION.

The telegraph division is now operated jointly by the insular and the United States Government. The tendency has been for the United States Government to turn over to the constabulary the duty of caring for this service. This fact will account in part for the large increase of miles of telegraph from 505 to 2,037 operated by the telegraph division of the constabulary during the year. The miles of telephone also increased from 1,871 to 2,213; the cable from 85 to 163 miles; telegraph offices have increased from 23 to 60, and the telephones in use from 155 to 350 outside of the city of Manila. Seven hundred and seventy-seven miles of new construction were completed, iron poles being largely used. The short life of wooden poles in this climate makes these almost a necessity. The United States Signal Corps operates, in addition, 1,351 miles of telegraph, 1,460 miles of cable, and 398 miles of telephone in the archipelago.

MEDICAL DIVISION.

The constabulary supports 7 hospitals and 2 wards, aggregating 200 beds. Thirteen hundred and thirty-two cases were treated, with a mortality of only 26. The superintendent of the division states that the native soldier is quick to learn the duties required by the Hospital Corps, and that only one instance has ever been brought to his attention where a native has not exceeded reasonable expectations.

ORDNANCE DEPARTMENT.

All the firearms in the islands not in the hands of the military and the constabulary are registered in the ordnance department. Those in the hands of individuals are covered by licenses issued by the constabulary or by the provincial governments, under bond, to be forfeited to the government in case the arms are lost. The total number of permits outstanding, of all kinds, is now 4,749.

For additional information and details in regard to the operations of this bureau attention is called to the annual report for the fiscal year, submitted by Brig. Gen. Henry T. Allen, and supplemental report covering the period from July 1 to September 22; also reports to him of the officers commanding the five constabulary districts and of the chief supply officer.

BUREAU OF COAST GUARD AND TRANSPORTATION.

This bureau is now operating 17 steamers, 6 seagoing launches, 1 river steamer, 6 river and harbor launches, and 1 sailing sloop. The coast-guard cutters, as the steamers are called, are kept continually in use, and perform excellent service in providing transportation for government officials, carrying supplies, expediting and rendering possible the movement of the various government agents to the less accessible parts of the archipelago. There are now 11 routes upon which regular trips are made, 5 of which have headquarters at Manila. During the fiscal year ending June 30, 1904, the various steamers and launches of the coast-guard service traveled over 350,000 miles, visited over 4,000 ports, carried over 15,000 passengers, and over 5,000 tons of freight,

including 5,000,000 pesos in cash. Attention is called to the report of the cruiser *Tablas*, used to prevent smuggling into the Moro Islands. On one occasion the sailors from the coast guard landed to help the constabulary against the ladrones in Samar.

There has been some complaint made by the owners of the merchant steamers that the large use of government ships takes so much of the business as to make it impossible for them to operate at a profit. With a view to considering this point, the civil governor has appointed a committee to consider all questions of island and interisland transportation, and determine, among other important questions, whether it would be advisable to take off the boats belonging to the insular government from the main avenues of commerce and turn the government business over to the commercial lines. This committee is now at work on the problem. It has been the effort of the government to prevent the use of the coast-guard vessels from interfering with the business of the commercial lines in carrying any passengers and freight other than those incident to the government service.

LIGHT-HOUSES.

At the beginning of the fiscal year 61 lights were in operation, including 15 flashing lights, 5 fixed lights, and 41 minor lights. At the end of the fiscal year 15 new lights had been put in operation, bringing the total up to 76, including 19 flashing lights, 3 fixed lights, and 54 minor lights. The Spanish Government had made plans for a very comprehensive system of lights, and many of them were in course of construction at the time of American occupation. The insurgents, apparently not alive to the importance of aids to navigation, rather ruthlessly despoiled the light-houses of their machinery, and the equipment of the light-houses has been gathered sometimes from great distances and at considerable expense, until the system is now in a fair way to become adequate. Many of the partly constructed Spanish light-houses are now nearing completion under American supervision, and the Commission has appropriated money for several much-needed new light-houses, to be ready as soon as the construction can be completed. Lack of funds has prevented the Government from undertaking some much-needed new construction which will render navigation much more certain.

ENGINEER ISLAND.

Engineer Island, situated on the south side of the mouth of the Pasig River, was set aside for the use of the bureau of coast guard and transportation by act of the Commission, in June, 1903. The act authorized the construction of shops, a marine railway, and other facilities for handling the business of the bureau. This work is now nearing completion. The building for the machine shops is about completed, and the machinery will soon be in place. The marine railway, contract for which was let in February, 1904, is in process of construction and will undoubtedly be ready in December of this year, the time called for in the contract.

For additional information and details attention is called to the attached report for the fiscal year, submitted by Commander J. M.

Helm, chief of the bureau of coast guard and transportation; also, supplemental reports for the months of July and August, 1904, and reports of the light-house engineer, light-house inspector, marine superintendent, and paymaster.

BUREAU OF ENGINEERING.

The work of this bureau has been constant and increasing, and it is certain that with the development of the resources and growth of the commerce of the islands its field will assume greater and greater proportions. The work is classified into a division of records, division of surveys, division of construction, division of drafting, division of provincial supervisors, and division of railroads. The chief of the bureau recommends the creation of a division of irrigation and a division of geography. The former officer could well devote all his time to improvements of rivers and waterworks and the maintenance of existing systems of irrigation, which, from lack of proper attention, are suffered to deteriorate; and the latter is urgently needed to supply a suitable map of the islands and collate all the information which is being brought in from various sources, which show inaccuracies in the existing maps to a degree that makes them unreliable for many practical purposes.

A general review of the work of the bureau brings into prominence some extremely interesting facts. During the year the insular government has engaged in the construction of 274 miles of new road, of which part is completed and part still remains unfinished. The money for these has been appropriated principally out of the Congressional relief fund. The bureau has completed surveys and made recommendations in regard to 157 miles of additional road.

The development of roads is probably the most important step in the development of the commerce of the islands. The Spaniards made a practice of diverting to other uses money raised for the maintenance and repair of roads, and thus it seldom accomplished its real purpose. Practically the only work which was done on the roads came from compulsory labor under the laws which then obtained. At present, during the rainy season, the narrow-tired bull carts, following one another in a single rut, wear even the best road through, making them a series of quagmires through which the bulls toil up to their knees in the mud and dragging the carts, whose wheels are submerged to the axle. This necessitates very light loads if the carts are to get through and renders any extensive movement of products or merchandise impossible.

The two main objects to be served by the development of roads are: First, military, and second, commercial. With the advent of good roads comes the advent of peace, for in the presence of quick transportation the ladrone moves out, and until the ladrone has gone industry can not begin. The practical extinction of the ladrone brings the commercial use of the road into first place. It is necessary that the main avenues of commerce should be made passable. It seems, therefore, that the time has come for the government to change its policy and direct its energies and revenue, both provincial and insular, toward putting the existing roads in permanent serviceable condition. This can be done at a much less cost per mile than in construction of new roads and will render much greater service per

mile, and still more per dollar expended, than any new road could reasonably be expected to do. Every year the roads which are not kept up deteriorate, and it is better that the provincial revenues should be expended in keeping good roads in good repair than in making bad roads temporarily passable.

In this connection the report of the chief of supervisors is full of interest. It shows that in the aggregate the provinces completed 252 miles of new road, at a cost of about 300,000 pesos, and repaired 1,662 miles of old road, at an aggregate expense of about 400,000 pesos. There were 582 bridges and culverts built and 458 repaired. The labor, of course, was principally Filipino, and the report shows the equivalent of 1,545,801 single days' work having been done during the year. The Commission has enacted a law prohibiting the use of the narrow-tired bull cart. This law is absolutely necessary if the good roads which have been constructed and the repairs made on the old roads are to be of any permanent value. It is a very difficult matter to enforce the law, as the price of the new wheels is high, and it is difficult to compel the native to buy them, as he does not have the money. Experiments are being made in Bilibid prison looking to a reduction in the cost of this construction, and figures will soon be obtainable. It is hoped that some device may be reached which will put the right kind of wheel and axle within reach of everybody.

Next to development of roads, the improvement of the harbors of the islands merits the attention of the Commission. The approaching completion of the port works of Manila will make a demand for good harbors in the other principal ports of the islands immediate and urgent. To meet this the Commission has authorized the construction of improvements in Iloilo and Cebu, for which contracts have been let, involving about \$500,000 gold for Cebu and \$250,000 gold for Iloilo. These works will be started immediately, and it is anticipated that the Iloilo works will be finished in about thirteen months from date. Cebu will take nearly a year longer.

It is hoped that as soon as funds become available which can be devoted to harbor improvements the Commission will turn their attention to the most needed unimproved harbors and complete them in order of their importance, with a view to enabling ships to load and unload at wharves provided with adequate warehouses and save the annoyance, risk, and expense incident to lighterage. In this connection the chief of the bureau of engineering says:

Practically all of the harbors are lacking proper wharfing facilities. Vessels necessarily anchor about 1 mile from shore, and lighterage is accomplished by cascoes, from which the goods are packed to the beach by men or carabao carts, which are driven as far as possible into the surf. The resulting expense in the discharge or shipment of cargoes is large, and considerable damage to the goods is incurred.

The large number of rivers navigable for vessels of light draft present a system of communication of extraordinary promise to the development of the islands, and it is estimated that a single dredger operating continuously on the various bars which obstruct the mouths of all these rivers would render a great service to the coastwise trade at a comparatively small expense.

Some of the rivers of these islands present features worthy of note. The heavy rainfall and precipitous watersheds present a condition

that brings about floods, and many of these rivers are known to rise 20 or 30 feet in the course of a few hours, causing very severe damage to property and often menace to life. The Commission has received from various provinces petitions to have controlling works undertaken to prevent fertile lands or fine buildings from being destroyed. Such work usually involves extremely expensive construction, often in excess of the market value of the property to be saved, and it has been impossible to undertake this work for lack of funds.

The bureau has investigated several water powers during the year, and it is hoped that the high price of coal may be offset in some measure by development of water power. It is common practice in the United States to carry large amounts of power distances ranging from 30 to 150 miles, and there is reason to believe that within reach of Manila there is more than one good water power the development of which will materially decrease the cost of power in the city. It is by no means certain that electric power is not the proper motive power for the railroads of these islands, and this feature lends great importance to these investigations.

Appended to the report of the bureau of engineering, under the division of railroads, is a very complete statement of the business of the Manila and Dagupan Railroad. The most noticeable feature in this is the enormous increase in the third-class passenger business, which is carried to a point far in excess of anything in the previous history of the railroad.

The demand for additional railroads is constant, pressing, and insistent, and comes from all classes and many directions. The existing railroad company has applied for a franchise to extend its line in several directions and build new lines in others. Many other applications for franchises have been received. All action in this matter is withheld, pending decision by Congress upon the bill authorizing the Commission to guarantee interest upon the construction of new railroads. It is hoped that the company or companies which obtain the privilege of building in the most populous districts where the largest business may be reached will be induced by means of a government guaranty to build through some of the less populous regions, thus serving the double purpose of developing the resources of the regions now out of reach and bringing the fertile and populous regions beyond into closer communication with Manila. It is very desirable to have a railroad from Manila to the fertile and populous province of Batangas, and it is hoped that such a road could be extended so as to reach the rich and populous hemp districts at the southern part of Luzon. Another district of Luzon which it is very desirable should be brought within reach of Manila is the great and fertile valley of the Cagayan River, with its immense potential wealth and proved fertility. It is also desirable that the west coast of Luzon, from Dagupan to Vigan, and perhaps Laoag, be reached by railroad.

During the year this bureau has completed surveys of the so-called "friar lands" agreements for the purchase of which have been entered into by the government. This work was complicated by the fact that the title submitted did not have accurate plans and boundary marks in every case, and the title to the land in question involved a good many questions of ownership.

For additional information and details attention is called to annual report of Mr. J. W. Beardsley, consulting engineer to the Commission,

for the fiscal year, and supplementary report for July and August of 1904, to which are attached reports of the railroad engineer and of the chief of supervisors.

BUREAU OF POSTS.

During the year the business of the post-offices showed a steady growth, the number of post-offices having increased from 213 at the beginning of the fiscal year to 3,191 at the close. As very few of these additional post-offices are self-supporting, it is the policy of the Commission to go slow and not increase the number of post-offices further at present. They have limited the number to be established during the present fiscal year so as not to exceed a total of 450 post-offices in the aggregate. This step was taken purely in the interest of economy.

The post-office in Manila is now moved into its new location in the Cuartel Fortin Building, which gives better space and more than double the facilities of its previous site, but at best can be regarded as a temporary expedient.

Too large a proportion of the mail is carried under official frank, and is not revenue producing. It may be necessary to take measures to protect the government from improper use of the mails in this way.

Regulations are now in force providing that United States stamps not countersigned with the word "Philippines" are not accepted in Philippine post-offices, and stamps so countersigned are not accepted in United States post-offices. This change was reported to have worked little hardship.

Plans are being prepared for an issue of distinctive stamps of the Philippine Islands. The money-order business in operation at 33 offices at the beginning of the fiscal year has been increased by 30 additional offices and is now in operation at the capital city of each province. It is used largely for remittances of money to the United States, and the business continues to grow.

The director of posts speaks very favorably of the result of his employing Filipinos, and he reports that he has now 102 Americans and 287 Filipino postmasters, and 72 American and 84 Filipino clerks. This is a great increase in the proportionate number of Filipinos employed the preceding year, and is very gratifying. Some improvement has been made in the transportation during the year, both as regards regularity and frequency. Much of this is due to the establishment of coast guard routes and the service given by the army transports. It is hoped that arrangements may be completed by which this business will be done more and more by commercial lines.

For additional information and details attention is invited to annual report for the fiscal year submitted by Mr. C. M. Cotterman, director of posts.

BUREAU OF PRISONS.

The Commission has ruled that wherever prisoners are sentenced for more than two years in any of the provinces they shall be transferred from the provincial jail to Bilibid. Under the operation of this rule, aided by the vigilance and activity of the constabulary

in hunting down ladrones, the prisoners increased from 2,776 at the beginning of the fiscal year to 4,318 prisoners at the end, an increase of 55 per cent. This has filled up Bilibid to an extent not contemplated at the time of its construction. It is not anticipated that any such increase will occur in the present fiscal year, because the transfers from the provincial jails have been completed and the operations of the constabulary have reduced the number of outlaws outstanding to a comparatively few individuals, very small in number and adept in the art of concealment.

During the year the cost for maintenance per capita of prisoners was 33½ centavos per day, or less than 17 cents gold. This takes no account of receipts from sales of manufactured articles. The prison is engaged in the manufacture of carriages, clothing for their own use, laundry, furniture, and a few specialties, but these operations have not yet developed to a point where they give anything like an adequate return for the amount of potential labor. An effort will be made to give employment to the prisoners in such a way as to educate as many as possible in some trade that will be useful to them after their release and at the same time help maintain them while in confinement. The opening of the extensive carpenter shops nearing completion will tend to bring about this result. The business of making wide-tired wheels for the provinces is one which might prove very advantageous both to the prison and to the provinces. The government has been very careful not to have prison labor compete with legitimate business enterprises in the open market. It is hoped that this policy will not be carried so far as to prevent the prison from becoming more nearly self-supporting.

The rapid increase in the prison population has necessitated several additional buildings to provide accommodation, and this work has been done mostly by prison labor.

The discipline of the prison is good, and the health as good as could be expected where there has been such overcrowding of quarters as has been necessary pending completion of the new. Additional hospital facilities and more sleeping space are necessities if the health of the prisoners is to be preserved. It is noticeable that with the substitution of bread for rice in the native rations beriberi has almost disappeared. Considering the calls that have been made on it during the last year, the prison has been carried on in a high state of efficiency, and it speaks well for the corps of officers. The fine physique of the long-term prisoners, who have thrived under the regular life and good food accorded them, is in sharp contrast to the appearance of the short-term prisoners, who present the more emaciated appearance, which is characteristic of the Filipino of the lower classes.

For additional information and details attention is invited to annual report of Mr. M. L. Stewart, acting warden, and his supplemental report for the months of July and August, 1904, to which are attached reports of the resident physician and of the chaplain.

BENGUET IMPROVEMENTS.

The construction of the Benguet road is being pushed rapidly to completion. Col. L. W. V. Kennon, the officer in charge, has proved himself capable of surmounting the many obstacles which present

themselves, and is completing a road of easy grades, few curves, and of a permanent nature. The roadbed can readily be adapted for an electric railway whenever the time comes for the construction of such a road, although it will require a good deal of expensive bridging to prepare the road for the railroad. The canyon is narrow and winding, the rocks on either side precipitous, and the material of which the rocks are composed and their nature are such that it was found necessary to strip the hillsides sometimes for several hundred feet in height in order to make sure that the material above would not slide down, thus rendering travel dangerous. There are now over 3,000 men at work, and it is estimated that the road will be finished during this fiscal year. The bridges—wherever it seemed wise to complete the permanent construction—and culverts are of cement, as wood was found to rot too rapidly to be safe. The highest grade is 9 per cent, and the sharpest curve 80 feet in radius. While a very small part of the whole is actually finished at the present time, the bulk of the work is done, the finishing touches being very easily put on by a gang of finishers. In the difficult and dangerous work it is found that the white men are the most efficient, the full-blooded negro next, while nearly a thousand Japanese are employed and are giving very good service in the other difficult parts of the work. Filipino laborers, of whom there are over a thousand now employed on the road, have to be educated very gradually up to this sort of thing, but there is one body of Tagalogs who have attained great skill and have proved themselves to be very serviceable workers, having been a long time with the road. Colonel Kennon speaks highly of their work.

NAGUILIAN.

Nothing further is being done toward the completion of the road to Benguet from San Fernando known as the "Naguilian Trail." It is passable for horses.

BENGUET.

The Commission has had plans prepared providing for the creation of a township consisting of 6,866 acres, to take in the whole of the available country around the proposed site of the new town of Baguio. At present the buildings in Baguio consist of a sanitarium that has 48 beds, a number of cottages of cheap construction, and a few other buildings for prison purposes, constabulary barracks, provincial headquarters, etc.

With the completion of the road it is hoped that the advantages of this temperate climate will be placed within the means of Government officials and men in civil life who are living in Manila on small salaries and can not afford the time and expense to go to Japan, China, or the United States.

The Commission is fortunate in having secured the services of Mr. D. H. Burnham, of Chicago, who will lay out the plans for the permanent improvements and arrangements of the public buildings, streets, etc., with a view of having everything upon the most improved lines.

For additional information and details attention is invited to report of Col. L. W. V. Kennon, officer in charge, Improvements in

Benguet Province, for the fiscal year, and to the supplemental report covering the two months of July and August, 1904. Also to reports of the disbursing officer, property officer, commissary officer, medical officer, and chief engineer.

BUREAU OF COAST AND GEODETIC SURVEY.

The work of this bureau has been systematically and regularly pursued during the year. The steamers *Pathfinder* and *Research* have been in continuous operation except for such times as they have had to be laid off for repairs, and the new steamer *Fathomer* is nearing completion in Hongkong and will be put into commission as soon as ready.

The nautical information division has prepared bulletins entitled "Notices to Mariners" and "Sailing Directions," wherein all changes of buoys, lights, etc., discoveries of uncharted rocks and other menaces to navigation are reported as promptly as practicable. The chief of the bureau reports that "the work of the native draftsmen is surprisingly excellent, and their service worthy of very great praise."

The attached report shows 30 topographic and 33 hydrographic sheets inked, and 20 new charts completed since the last reports, and about as many more nearing completion. The bureau reports over 4,000 charts distributed for official use or disposed of by sale during the fiscal year.

Much has been accomplished by this bureau, but more remains to be done. The archipelago has a coast line more than double that of the United States, and not more than 10 per cent of this has been adequately charted. The exact geographical situation of a great portion of the east coast of the islands has never been determined, and there has been considerable uncertainty in regard to many other points. With the opening of the Pacific cable the exact longitude of Manila has been determined from San Francisco during the year, and several other points hitherto in doubt have been cleared up. The bureau will compile data from which it will eventually plot an accurate coast line. In two cases the actual surveys show a discrepancy of nearly 4 miles over the previous reports. Accurate tidal observations are being made and valuable records obtained. The work of this bureau is of the utmost importance to navigation and will be forwarded continuously just so fast as the means of the government will allow, especial attention being devoted to the main avenues of commerce.

For additional information and details attention is called to annual report submitted by Mr. John E. McGrath, assistant in charge of bureau.

TELEPHONES.

The situation in regard to telephones, telegraph, and cable service is very mixed, and would be much bettered if some arrangement for centralization could be put in operation. There are several telephone systems operating in Manila, none of them satisfactory. The instruments are old-fashioned and not adequate to the needs of the service, and a practically complete new installation is necessary if good service is to be obtained. It is to be hoped that some means will be found to this end.

HARBOR LINES COMMISSION.

Under authority granted by Act No. 592 a commission has been appointed, consisting of the consulting engineer to the Commission, as provided by the law, the chief of the bureau of coast guard and transportation, and the officer in charge of the port works of Manila, whose duty it is to make recommendations in regard to the establishment of permanent harbor lines in such ports as they shall be requested to consider. The ports of Manila, Iloilo, Cebu, and Nueva Caceres have been submitted to them for recommendation.

Respectfully submitted.

W. CAMERON FORBES,
Secretary of Commerce and Police.

The PHILIPPINE COMMISSION, *Manila, P. I.*

APPENDIXES.

ANNUAL REPORT OF BRIG. GEN. HENRY T. ALLEN, U. S. ARMY, CHIEF PHILIPPINES CONSTABULARY.

SIR: The undersigned has the honor to submit the following report of the operations of constabulary and scouts for the fiscal year ending June 30, 1904:

Since last report Capt. J. G. Harbord, U. S. Cavalry, has been appointed assistant chief, August 21, 1903, with the temporary rank of colonel, United States Army, and put in charge of the fifth constabulary district, comprising the Moro Province (excepting the Paraguan group, which remains in the third district), to which the organized provinces of Surigao and Misamis, taken from third district, were added. As to area, this district is larger than any other.

By virtue of authority of the Secretary of War, conveyed by cable under dates of March 31 and April 2, respectively, Capts. W. C. Rivers, First U. S. Cavalry, and A. L. Dade, Thirteenth U. S. Cavalry, were assigned to duty with the civil governor and were designated, respectively, as adjutant-general and inspector-general of Philippines Constabulary.

These three officers have taken up their work with zeal and intelligence and beneficial results are in progress. The services of the latter two will also permit assistant chiefs who have served several years without leave to profit by a visit to the States.

At the date of this report 31 companies of scouts are doing duty with the civil government. With the exception of two companies serving in the Ilocos provinces, these companies are in the first and second districts, where the population is chiefly Tagalog.

The work during the year has been largely a repetition of that of the preceding year, with the difference that the marauding bands have been much fewer in number and smaller in size, with corresponding diminution in disturbances. A gradual but sure conviction that their best interests lie with the government rather than with self-appointed leaders has dawned upon all Filipinos above the average intelligence. To bring conviction to numerous remote tribes, some of whom have scarcely seen a white man and who are at enmity with all their neighbors, and to people who are fanatical and ignorant of the outside world almost beyond belief, will require much time and patience, as well as liberal instruction by practical methods.

Under the operations of the courts, professional agitators have been largely squelched, and the efforts of their minions in many cases have not met with success even among the ignorant. Practically every province has its mountain population, which has been driven into the fastnesses of the mountains and oppressed by the lowlanders from

earliest times. These people have come to regard all outsiders as enemies, and from time to time they organize bands under some religious craze and begin their marauding expeditions. The pulajanes (red-trousered men) are such.

In spite of the disturbances cited below, and of the numerous minor encounters with robber bands by the constabulary and scouts, tremendous strides have been made during the present fiscal year. Greater progress in this direction could not justly be expected. It augurs well for the future of the Filipinos and for the safety of capital that may seek investments in the islands. These results, which are effected under American officers by the Filipinos themselves, confirm the wisdom of the policy of the administration in using the Filipinos to maintain order in the Philippines.

Among the leading disorders that have taken place and disturbances that have been quieted during the year may be cited: The Albay "insurrection," under Simeon Ola; the capture of Ricarte, the Hongkong agitator, and practically all of his followers; the Vigan "mutiny," effected by the agents of Ricarte; the Tomines "rebellion" in the Cagayan Valley, also largely due to the Hongkong junta; the extermination of Gasie's band in Mindoro; the Laguna raid, beginning at the town of Bay; the attack on San Jose, Nueva Ecija, by the Santa Iglesia segregation, under Pope Felipe Salvador; the capture of a new Katipunan in Pangasinan under "Captain-general" Pedro C. Gasig; the raiding of the towns of Gumaca and Catanauan, in Tayabas, by the "Cabecillo," Mariano Leonosta, and the wanton killing of women and children in the mountains of Antique by bands under Ompong and Pitoc. All of these have taken place outside of the Moro country.

Many minor affairs have taken place involving killing, torture, and robbery by armed bands. Various marauding expeditions may be credited to the fanatical pulajanes of the third district. In pursuit of one of these bands in Samar Lieutenant McCrea and three men lost their lives. Bands of carabao thieves are the greatest menace to good order in the archipelago, and they are largely recruited from the cock pits.

Detailed records of the events mentioned above are found in the accompanying reports of district commanders. The tragic story of the constabulary renegades, Hermann and Johnson, have been duly reported. Two popes, with rank of general, one (Isio) in the mountains of Negros, the other (Felipe Salvador) in the Candaba Swamps of Bulacan and Pampanga, and several ladrone chiefs, with self-imposed important military titles, in mountainous localities of other provinces remain out.

BUILDINGS.

With the occupation of the two lower floors of the Oriente Building and its storehouses on the estero, and half of the Cuartel Fortin, the headquarters, staff, and supply divisions are well provided and stores are now properly housed. The use of these two buildings permits a concentration and supervision of the work that was not practicable before, and it allows us to give up the Anda street building, the portion of the Intendencia Building occupied by the commissary, the ill-suited casemates on the Pasig used for commissary stores, and the Bishop's Palace on Nozaleda street used by the chief supply officer

and the divisions (excepting commissary) under him, quartermaster, paymaster, ordnance, medical, and telegraph. When the work of dredging the Binondo estero is finished it will be entirely practicable to load supplies on lighters from the Oriente go-down, as now obtains with commissaries from Cuartel Fortin on the Pasig. The greater part of the buildings occupied by constabulary and scouts is hired from private persons, but with the extension to previously unoccupied regions at times, where there are now larger buildings than Igorrote huts, it has been necessary to construct temporary barracks. Most of the old Guardia Civil buildings, many of which are by design well adapted to their purposes, are occupied by constabulary. Some of these are in dire need of repair, others have little left other than the walls. In not a few cases conventos are used with the permission of the church at fixed monthly rents.

It is evident that in the future more money will be required for the repair and construction of barracks, storehouses, and quarters than has been allotted in the past.

AMERICAN TROOPS.

Last year there were 14 regiments of infantry, 8 regiments of cavalry, 3 batteries of artillery, with the corresponding quota of technical and staff troops, amounting in round numbers to 18,000 men, occupying 70 posts. This year there are 9 regiments of infantry, 4 regiments of cavalry, and 3 batteries of artillery, amounting in round numbers to 12,000 men, occupying 39 posts. (Scouts are not included.)

SCOUTS.

Under the original act for the creation of scouts, of February 2, 1901, comprised in section 36 which follows, it is seen that officers are given provisional appointment for four years, to be continued for the second or subsequent term contingent upon conduct "satisfactory in every respect." Since more than half of the scouts organized under this act have been serving a greater part of the time under the undersigned since the passage of the constabulary act of January 30, 1903, ample opportunity has been afforded him for observing the operation of the law and especially the working of the scouts in connection with the latter-mentioned act.

SEC. 36. *Act of Congress approved February 2, 1901.*—That when in his opinion the conditions in the Philippine Islands justify such action the President is authorized to enlist natives of those islands for service in the Army, to be organized as scouts, with such officers as he shall deem necessary for their proper control, or as troops or as companies, as authorized by this act, for the Regular Army. The President is further authorized, in his discretion, to form companies, organized as are companies of the Regular Army, in squadrons or battalions, with officers and noncommissioned officers corresponding to similar organizations in the cavalry and infantry arms. The total number of enlisted men in said organizations shall not exceed twelve thousand, and the total enlisted force of the line of the Army, together with such native force, shall not exceed at any one time one hundred thousand.

The majors to command the squadrons and battalions shall be selected by the President from captains of the line of the Regular Army, and while so serving shall have the rank, pay and allowances of the grade of major. The captains of the troops or companies shall be selected by the President from first lieutenants of the line of the Regular Army, and while so serving they shall have the rank, pay, and allowances of captain of the arm to which assigned. The squadron and battalion staff officers, the first and second lieutenants of companies, may be selected from the noncommissioned officers or enlisted men of the Regular Army of not less than two years' service, or from officers or noncommissioned

officers or enlisted men serving, or who have served, in the volunteers subsequent to April twenty-first, eighteen hundred and ninety-eight, and officers of those grades shall be given provisional appointments for periods of four years each, and no such appointments shall be continued for the second or subsequent term unless the officer's conduct shall have been satisfactory in every respect. The pay and allowances of provisional officers of native organizations shall be those authorized for officers of like grades in the Regular Army. The pay, rations, and clothing allowances to be authorized for the enlisted men shall be fixed by the Secretary of War, and shall not exceed those authorized for the Regular Army.

When in the opinion of the President, natives of the Philippine Islands shall, by virtue of their services and character, show fitness for command, the President is authorized to make provisional appointments to the grades of second and first lieutenants from such natives, who, when so appointed, shall have the pay and allowances to be fixed by the Secretary of War, not exceeding those of corresponding grades of the Regular Army.

Although this act authorizes a strength of 12,000 men, the detail of captains and majors and the formation of battalions, the President has so far seen fit to organize only 50 companies, each of 100 men, with but one first lieutenant and one second lieutenant per company.

With the exception of the battalion now at the St. Louis Exposition commanded by a captain of infantry detailed as major, no steps have been taken toward forming battalions.

No one acquainted with the conditions existing in the Philippines, due to the low average civilization and the consequent readiness with which marauding bands are organized, would suggest a smaller active force than 10,000 men for the maintenance of public order. If it is desired to bring the remote tribes of Northern Luzon (Benguet, Lepanto-Bontoc, Abra, Isabela, and Nueva Vizcaya), of Mindanao, Paraguan group, Sulu group, Batanes and other islands, and I might add the mountain people of every province in the archipelago, into proper relations with the government, this force must be materially increased. By the very nature of this insular holding, and by virtue of the character of the American Government and nation, these people must be reached—if not now, in the near future.

The enlistment of these semicivilized people, by which elements of warring rancherias or barrios are often brought into the same organization, has a most wholesome effect in diminishing head-hunting and other internecine practices. The education of scouts and constabulary during their terms of enlistment amounts to a practical asset to the government, and no better or more rapid method of developing such people as referred to is known to the undersigned.

With a view to minimizing insular expenses, efforts have been made to reduce the constabulary; but in spite of this and of the employment of 30 companies of scouts, circumstances have rendered an increase of constabulary to 7,500 men imperative, with a necessary tendency toward further increase. The present force of natives—both kinds—is about sufficient to meet the rapid development of government in these islands.

While the Commission recommends, also largely for economic reasons, further employment of scouts instead of increasing the constabulary, it is found that their usefulness is limited by the following:

I. Two district chiefs are not army officers and can not, therefore, command scouts;

II. Scout companies are under-officered, having an average of approximately one and one-half officers per company;

III. A deficiency of officers prevents the distribution of scouts as required by the nature of the service, and the supplying of these troops in remote stations with their fixed ration is unduly difficult.

The scouts, like the constabulary, are primarily intended for insular service and it would not seem wise on the part of the Government to continue increasing either force while parts of the other remained idle.

With few exceptions, scout officers have responded readily and efficiently to the work required of them; and there is no reason why scouts, with a quota of officers permissible under the original act and with certain changes indicated further on, might not be made equally efficient for insular service in all respects with constabulary. The term "constabulary" gives but an imperfect idea of the duties this force has been performing, and a number of years will elapse before the major portion of its work ceases to be field service in detachments.

In recommending applicants for officers of scouts it was but natural that army officers should favor old soldiers who had deserved well of the Government and who were therefore entitled to recognition. This tendency has introduced into the scouts some officers who are already too old for field service and who are too conservative to learn any new language or adapt themselves to conditions their long garrison service has not taught. It is too much to believe that these officers will accomplish all that the Government should justly expect of them. In the future appointments much consideration should be given the element of age.

The act of Congress of January 30, 1903, follows:

AN ACT to promote the efficiency of the Philippines constabulary, to establish the rank and pay of its commanding officers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That officers of the Army of the United States may be detailed for service as chief and assistant chiefs, the said assistant chiefs not to exceed the number four, of the Philippines Constabulary, and that during the continuance of such details the officer serving as chief shall have the rank, pay, and allowances of brigadier-general, and the officers serving as assistant chiefs shall have the rank, pay, and allowances of colonel: *Provided,* That the difference between the pay and allowances of the brigadier-general and colonels, as herein provided, and the pay and allowances of the officers so detailed in the grades from which they are detailed shall be paid out of the Philippine treasury.

SEC. 2. That any companies of Philippine Scouts ordered to assist the Philippines Constabulary in the maintenance of order in the Philippine Islands may be placed under the command of officers serving as chief or assistant chiefs of the Philippines Constabulary as herein provided: *Provided,* That when the Philippine Scouts shall be ordered to assist the Philippines Constabulary, said scouts shall not at any time be placed under the command of inspectors or other officers of the constabulary below the grade of assistant chief of constabulary.

This provides for the control of scouts when ordered to assist the constabulary in the maintenance of peace by putting them under the command of army officers serving as chief and assistant chiefs of constabulary with temporary army rank of brigadier-general and colonels. The division commander decided that this command unqualified by law should be tactical, by General Orders, No. 13, February 20, 1903:

SEC. 2. The Philippine Scouts companies will be ordered to assist the constabulary under the above act of Congress only by the commanding general, division of the Philippines, and when so ordered they will receive orders only from officers of the Army who are detailed as chief or assistant chiefs of the constabulary, and will be subject to their orders for tactical purposes only; for administrative purposes scout companies will remain under control of the division commander.

Under this decision scouts and constabulary have worked together with practically no friction and are at present, in spite of certain

officers or enlisted men serving, or who have served, in the volunteers subsequent to April twenty-first, eighteen hundred and ninety-eight, and officers of those grades shall be given provisional appointments for periods of four years each, and no such appointments shall be continued for the second or subsequent term unless the officer's conduct shall have been satisfactory in every respect. The pay and allowances of provisional officers of native organizations shall be those authorized for officers of like grades in the Regular Army. The pay, rations, and clothing allowances to be authorized for the enlisted men shall be fixed by the Secretary of War, and shall not exceed those authorized for the Regular Army.

When in the opinion of the President, natives of the Philippine Islands shall, by virtue of their services and character, show fitness for command, the President is authorized to make provisional appointments to the grades of second and first lieutenants from such natives, who, when so appointed, shall have the pay and allowances to be fixed by the Secretary of War, not exceeding those of corresponding grades of the Regular Army.

Although this act authorizes a strength of 12,000 men, the detail of captains and majors and the formation of battalions, the President has so far seen fit to organize only 50 companies, each of 100 men, with but one first lieutenant and one second lieutenant per company.

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No one acquainted with the conditions existing in the Philippines, due to the low average civilization and the consequent readiness with which marauding bands are organized, would suggest a smaller active force than 10,000 men for the maintenance of public order. If it is desired to bring the remote tribes of Northern Luzon (Benguet, Lepanto-Bontoc, Abra, Isabela, and Nueva Vizcaya), of Mindanao, Paraguan group, Sulu group, Batanes and other islands, and I might add the mountain people of every province in the archipelago, into proper relations with the government, this force must be materially increased. By the very nature of this insular holding, and by virtue of the character of the American Government and nation, these people must be reached—if not now, in the near future.

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With a view to minimizing insular expenses, efforts have been made to reduce the constabulary; but in spite of this and of the employment of 30 companies of scouts, circumstances have rendered an increase of constabulary to 7,500 men imperative, with a necessary tendency toward further increase. The present force of natives—both kinds—is about sufficient to meet the rapid development of government in these islands.

While the Commission recommends, also largely for economic reasons, further employment of scouts instead of increasing the constabulary, it is found that their usefulness is limited by the following:

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III. A deficiency of officers prevents the distribution of scouts as required by the nature of the service, and the supplying of these troops in remote stations with their fixed ration is unduly difficult.

The scouts, like the constabulary, are primarily intended for insular service and it would not seem wise on the part of the Government to continue increasing either force while parts of the other remained idle.

With few exceptions, scout officers have responded readily and efficiently to the work required of them; and there is no reason why scouts, with a quota of officers permissible under the original act and with certain changes indicated further on, might not be made equally efficient for insular service in all respects with constabulary. The term "constabulary" gives but an imperfect idea of the duties this force has been performing, and a number of years will elapse before the major portion of its work ceases to be field service in detachments.

In recommending applicants for officers of scouts it was but natural that army officers should favor old soldiers who had deserved well of the Government and who were therefore entitled to recognition. This tendency has introduced into the scouts some officers who are already too old for field service and who are too conservative to learn any new language or adapt themselves to conditions their long garrison service has not taught. It is too much to believe that these officers will accomplish all that the Government should justly expect of them. In the future appointments much consideration should be given the element of age.

The act of Congress of January 30, 1903, follows:

AN ACT to promote the efficiency of the Philippines constabulary, to establish the rank and pay of its commanding officers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That officers of the Army of the United States may be detailed for service as chief and assistant chiefs, the said assistant chiefs not to exceed the number four, of the Philippines Constabulary, and that during the continuance of such details the officer serving as chief shall have the rank, pay, and allowances of brigadier-general, and the officers serving as assistant chiefs shall have the rank, pay, and allowances of colonel: *Provided*, That the difference between the pay and allowances of the brigadier-general and colonels, as herein provided, and the pay and allowances of the officers so detailed in the grades from which they are detailed shall be paid out of the Philippine treasury.

Sec. 2. That any companies of Philippine Scouts ordered to assist the Philippines Constabulary in the maintenance of order in the Philippine Islands may be placed under the command of officers serving as chief or assistant chiefs of the Philippines Constabulary as herein provided: *Provided*, That when the Philippine Scouts shall be ordered to assist the Philippines Constabulary, said scouts shall not at any time be placed under the command of inspectors or other officers of the constabulary below the grade of assistant chief of constabulary.

This provides for the control of scouts when ordered to assist the constabulary in the maintenance of peace by putting them under the command of army officers serving as chief and assistant chiefs of constabulary with temporary army rank of brigadier-general and colonels. The division commander decided that this command unqualified by law should be tactical, by General Orders, No. 13, February 20, 1903:

Sec. 2. The Philippine Scouts companies will be ordered to assist the constabulary under the above act of Congress only by the commanding general, division of the Philippines, and when so ordered they will receive orders only from officers of the Army who are detailed as chief or assistant chiefs of the constabulary, and will be subject to their orders for tactical purposes only; for administrative purposes scout companies will remain under control of the division commander.

Under this decision scouts and constabulary have worked together with practically no friction and are at present, in spite of certain

infected localities, maintaining a higher degree of order than has ever before obtained in the archipelago. Both division and department commanders are fully carrying out the provisions of this act and are giving every assistance to a successful cooperation of the two forces. It is easy to see, however, that officers with limited knowledge of field service in general, and of Philippine conditions in particular, and more interested in the finesse of regulation and construction than in the accomplishment of deeds and measures, could raise numerous quibbles concerning the phrase, tactical purposes.

If the revenues of the insular government were such as to permit the maintenance of a force necessary to maintain order throughout the territory, and to bring all the semicivilized and savage tribes within touch and influence of the government, the principal reason for the maintenance of Federal native troops would be for possible use without the limits of the archipelago.

Assuming what may be accepted as a fact—that the entire native contingent, constabulary and scouts approximately 12,000, should be used actively in effecting the above, and that the insular government can not at present devote more than \$2,000,000 (support of 7,000 men) per annum for this work, it becomes highly important to enact such measures as will minimize any friction that might develop and that will simplify the supply and command of this dual force.

The work required of the constabulary since its organization, chiefly fieldwork by detachments, has necessarily emphasized its military character until at the present time there is practically no difference between scouts and constabulary in so far as their military duties are considered.

Experience has also taught that it is extremely important to have high grade educated officers in the scouts and constabulary. The officer entering the Army has the advantage of the immediate direction of senior officers, while the officer entering the scouts or constabulary must be expected in the average case to command a separate station where his duties bring him constantly into relation with the officials and other people where he serves. Military efficiency, tact, gentility, and sufficient intelligence for a thorough appreciation of laws and regulations can not ordinarily be found without a liberal degree of education. The standard of constabulary officers has been raised until it is safe to say that it is fully equal to that of scout officers. Scout officers have been chosen from volunteer officers and noncommissioned officers of the Army, chiefly from the latter category; the same applies to constabulary officers with the difference that a number of the junior ones are graduates of military colleges.

Native troops can never have the moral influence of American troops, and the number of the latter will for a number of years depend upon the quantity of arms put into the hands of Filipinos.

There are some who think that scouts and constabulary should be consolidated into one homogeneous force commanded throughout by officers receiving commissions from the Federal Government, and all paid as far as possible by the insular government. The advocates of this state that it would create a more efficient military force, without in any way impairing its civil value, by (1) removing a supposed awkward condition of having the chief and assistant chiefs of constabulary (army officers) command scout companies while their

administrative needs are supplied by army staffs, and (2) by eliminating or minimizing possible friction between the various elements of the forces.

Homogeneity would certainly be obtained and civil efficiency might not be sacrificed, but as the class of officers desired must be equally as successful political agents as military agents, there could be a question regarding this. As regards (1) the division commander doubtless finds a certain inconvenience that, however, has not influenced results. Theoretically the present practice can not be well defended, but in this as in many other cases theory and practice do not march hand in hand. The very fact that it is unusual is enough to suggest doubts about it in a conservative body like the Army. As regards (2), the following from a report of Colonel Scott is quoted:

As to the question of friction between the organizations of the constabulary and scouts, I believe that this question can well be dropped. The officers of these two organizations have been volunteer officers or enlisted men working side by side, and many of them are warm personal friends. The amount of friction is comparatively nothing, and in one or two instances where it has arisen it is due generally to some bull-headed hotspur getting his toes or coat tails tramped on, or feeling that his dignity has not been quite held up to the standard which in his estimation it should have been. The officers eat and sleep together when they are working together; the enlisted men the same.

I have had for the past year 18 companies of scouts which have been more or less intimately associated with the constabulary in field and in garrison. While there may have been grumbling, which I have not heard, I am convinced that the two organizations could continue indefinitely to work together without anything more than an occasional grumble, the same as would be likely to arise in two companies of the same regiment. I, therefore, believe that this question might well be ignored.

If the highest authorities should see fit to turn over the sum required to maintain the scouts to the insular government, their supply could be effected through modified existing insular channels, thereby putting this branch under the civil governor both as to supply and command.

The service of native troops has conclusively shown the wisdom of their creation. In the first place, they are efficient and relatively very economical; in the second place, their organization with the training and education they receive materially aids in the development of the country. The experimental stage has passed. Various plans for reorganization might be effected that would be better than the present, but they have not been tried and they must therefore remain conjectures. The present is the result of evolution and is known. After carefully considering all the circumstances, I believe it advisable to maintain the present double system (scouts and constabulary) with such modifications as actual conditions have shown to be necessary and beneficial.

There are few persons who have had opportunity of carefully studying the situation that do not fully recognize the importance of placing whatever force may be necessary for the maintenance of peace and order immediately under the orders of the chief executive of these islands. The act of January, 1903, practically effects this; under it the policy of utilizing white troops solely as a reserve and for their moral effect, and the system of concentrating them into larger permanent garrisons may receive their fullest development.

Under the scout organic act quoted above, a first lieutenant of scouts has ended his career so far as promotion is concerned. The framers of the law doubtless recognized this as a military anomaly, and must have contemplated a change when scouts should have proved by experience the value and importance of their existence.

The writer is far from believing that all first lieutenants of scouts are worthy of being made captains, nor would it be for the best interests of the scout organization to fail to profit by the provision of the act detailing first lieutenants of the line as captains of scouts. Without such infusion of new blood, the standard of the organization would slowly drop; there would eventuate a tropical level. What has been said with regard to lieutenants and captains likewise applies to captains and majors.

The importance of having scout companies formed into battalions impresses itself continually with more force. Detached as they now are at one-company posts and less, even though not widely separated in distance, the question of drill, discipline, and a proper supervision of their duties and necessities leaves much to be desired. Under present conditions there are too few officers available for this work, and these companies can not receive the attention they should have.

To say, however, that scouts deteriorate operating under the provisions of the act of January, 1903, is equivalent to saying that an army deteriorates in war—in the very act for which it was created. It is true that the standard of garrison efficiency and drill skill is lowered in each case, yet it does not become a soldier to bemoan the inconveniences and disadvantages of war or of any other duty that may be the supreme goal of his existence.

Good active battalion commanders would make the work of scouts far more effective and would simplify their command and administration. They would also help maintain garrison efficiency. The importance of organizing companies into battalions under their present duties and separated stations is more imperative than if they were concentrated in posts. A proper inspection of scouts could then be made by the battalion commanders and their administrative needs be better effected by officers of the regular supply departments, either as at present or by the detail of these officers with the civil government.

The following is from Colonel Scott's report, and shows that he does not agree with some concerning the deterioration of scouts with constabulary:

I am fully prepared to show that the efficiency of scout organizations in the first district has been materially improved by the services which they have been called upon to perform since February, 1903, with the civil government, in assisting in maintaining the peace, in conjunction with the constabulary. Officers have become proficient in the multitudinous duties which have devolved upon them through the best of schools—experience.

The men have learned to be self-reliant and capable of caring for themselves in the field. The noncommissioned officers have learned the duties of scouting, making arrests, and handling prisoners while keeping within the confines of the civil laws.

Both officers and men are in good physical condition and hardened by field service. The benefits of this were brought especially to my notice last winter, while operating in the field in Ilocos Sur, where scout organizations were thrown together which had and had not been performing this duty.

In matters of courtesy and command, analogous relations should exist between scouts and constabulary to those now existing by law between regulars and volunteers. When the nature of the service, the equality as to intellectual, social, and professional attainments of the officers, and the identity of the enlisted strength are considered, the justice of this is as apparent as the ensuing results would be real. This is a highly important matter, and should receive early consideration.

If the enlisted men of scouts while serving in the Philippines be made amenable to the courts of first instance for major offenses, a long step in business procedure will be effected, and it is so recommended. I know of but one objection to this measure that could be advanced, namely, custom of the service, which in my opinion has no value as an argument in this particular case.

It is not believed that the present tendency toward maintaining scouts, both as regards quantity and kind of supplies, on a footing with American soldiers regardless of the tremendous difference of conditions can be justified from any point of view, either by Americans or impartial Filipinos. It is based on the principle that actuated the officer who insisted that laborers employed under him should have 1 peso a day, when an ample number were available at half a peso.

The present ration system renders the scouts less mobile than the constabulary. It should be made more flexible by the introduction of a money allowance in part or whole for expeditionary work. This would be more economical, and would largely relieve a detachment from being tied down to a train of cargadores whenever it takes to the field.

The undersigned believes that the present force of scouts and constabulary is sufficient to fully meet the requirements of the insular government, and that a more ample coordination of their duties under the civil governor can be obtained in a large measure under existing law, and by making effective the following, which he urgently recommends:

(1) The appointment of three officers for each company, half of the captaincies to be filled by promotion of scout officers and half by detail from the Army.

(2) The organization of battalions and the appointment of battalion commanders at the rate of four from the line of the Army and one from scout officers.

(3) That section 9, Act 175 of the civil commission, be made applicable to scout organizations serving under the civil governor.

(4) That enlisted men of scout organizations serving in the Philippines be made amenable for offenses not cognizable by summary courts to courts of first instance.

(5) That in matters of courtesy and command analogous relations be established between scouts serving with the civil government and constabulary as exist by law between regulars and volunteers of the army.

(6) That the scout ration be made more flexible by the introduction of a money allowance.

The undersigned desires to give public expression to the valuable services which the body of scouts has rendered the insular government, and to the willing and effective way in which both officers and men have responded to the arduous and complex duties imposed upon them. Above all, special credit is due Brig. Gen. George M. Randall, commanding Department of Luzon, where the majority of the scouts have been serving, for his full and complete cooperation with the requirements of the insular government and for his strict compliance with the letter and spirit of act of Congress approved February 2, 1901.

MUNICIPAL POLICE.

What has been said about this body in my last annual report has been emphasized by this year's experience. In the general case the result of putting arms into their hands has been to invite attack from robber bands desirous of replenishing their stock of arms and munitions. Some of these bands have more cohesion and are better led than the police. In not a few cases municipal police have been shown before courts to have formed parts of ladrone bands, and have surreptitiously connived with them in various ways.

Where the presidente is a specially vigorous, upright man with military instincts, or has the good fortune to select such a one as tiniente of police, the results of the operations of the police are very effective. Cases of this kind are the exception, and the policy of arming municipal police with bolos and clubs, rather than with firearms, is the outgrowth of three years experience. The tendency of municipal authorities to continue the time-honored custom of imposition on the tao is not diminished by backing up the police with firearms. Until they are better paid, and until constabulary officers are available for a more intimate inspection and command of them, the municipal police will not be of any value operating alone against armed bands. (The police of Manila is not included in these remarks.)

Last year the municipal police throughout the archipelago amounted to 10 captains, 171 lieutenants, 688 sergeants, 1,181 corporals, and 7,873 privates, or a total of 9,925. This year it amounts to 8 captains, 124 lieutenants, 405 sergeants, 909 corporals, 5,606 privates, making a total of 7,052.

INSTRUCTION.

The necessity of developing schools for officers and men for both theoretical and practical work was early recognized by the undersigned as highly important for the establishment and maintenance of proper standards of efficiency. The wide distribution required of constabulary by the nature of the service and the difficulty of inspection and discipline emphasizes this necessity; but, owing to the excessive and continuous work and the absence of any sort of reserve of officers or men, progress has been slow. The small reserves established at these headquarters and at two district headquarters are intended to be schools of theory and practice that will raise the standard of all classes.

The following order (75) shows what is demanded at each station:

GENERAL ORDERS, }	HEADQUARTERS PHILIPPINES CONSTABULARY,
No. 75.	Manila, June 16, 1904.

1. The following directions concerning the practical and theoretical instruction of the constabulary will supersede those contained in General Orders, No. 82, series of 1903, these headquarters:

(1) *Practical Instruction.*

There will be at each station at least two drills daily, except Saturdays, Sundays, and holidays, a regular drill for one hour, and, at a different time during the day, setting up exercises of twenty minutes. The regular drill will include the school of the company in infantry drill regulations, and will be, when at all practicable, attended by all officers. Exactness and thoroughness in the performance of the exercises laid down in the school of the soldier and school of the squad will be required before taking up the school of the company.

Officers shall be careful as to their dress and appearance at drill; they will wear belts and revolvers outside the coat, with belt neatly fastened and not hanging over hips, until sabers are procured.

Where field work or patrol duties are not sufficient to keep the men in first class marching condition, the drill will be lengthened to four hours once each week, and devoted to a practice march of 10 miles.

At stations where it is practicable, regular guard mounting will be held daily. At all stations the commanding officer will inspect the men, their clothing, arms, and equipments, their quarters and surroundings each Saturday morning. The ammunition in the possession of each soldier will be checked up at each Saturday inspection. Guard duty will be thoroughly taught and correct performance required. Instructions will also be given in the elements of first aid to the injured and in the care of arms and equipments.

At each station there should be daily at least two roll calls—at reveille and retreat. Other roll calls may be ordered by station commanders when they deem it necessary.

(2) *Theoretical Instruction.*

At all stations commanded by an officer two classes will be formed, the first class to consist of noncommissioned officers and such first-class privates as have shown by their intelligence and attention to duty that they possess the qualifications for noncommissioned officers. Instructions for this class will be held for one hour twice a week, and will embrace the following:

- Constabulary regulations and orders.
- Guard manual.
- Drill regulations.
- Military courtesies (General Orders, No. 76, 1904).
- Method of securing warrants and making arrests.
- Responsibilities as noncommissioned officers.
- Geography of the Philippine Islands.

The subjects embraced for the second class below:

The second class will consist of men not embraced in the first class. They will be assembled twice a week and instructed by means of lectures, concerning their duties as soldiers, in drill and guard duty, and the constabulary regulations, pay, allowances, penalties for offenses, etc. The noncommissioned officers will attend and assist in the instruction where practicable.

Both classes will be given instruction in English, special attention being devoted to those men who can read and write. When practicable to arrange with the local authorities for an American teacher, the English instruction may be given in this manner, and should consist of night school at least twice a week.

2. Senior inspectors are authorized to detail not to exceed four intelligent soldiers at their headquarters for instruction in clerical and office work in the office of the senior inspectors and supply officers. Their duty will be so regulated that each will learn something of the various duties pertaining to these offices, with a view to the practical utilization of their services later. Monthly report will show the number of men so detailed.

3. Station commanders will report at the end of each month concerning the work accomplished, and senior inspectors will indorse on their monthly reports a summary of the station reports, with comments and recommendations. They will call special attention by name to any officer who has been unusually successful in his instruction, as well as to any officer who has failed to get proper results from his men in compliance with this order.

4. Instruction herein ordered must never interfere with field work or with the other duties of the constabulary to guarantee order and to protect life and property in their vicinity. When the troops are not actually in the field, however, instruction must be constantly and systematically carried on. The district commander will give such instructions to supplement this order as they may deem necessary.

5. The following annual allowance of stationery for each student in the first class will be furnished by the quartermaster upon proper requisition: Three scratch pads, large; 1 quire ruled legal paper; one-half quire ruled letter paper; 1 penholder and 2 pens; 2 lead pencils; 1 quart black ink (for each 20 students).

Station commanders who desire it may also submit requisitions for a blackboard with crayons where it would be convenient to transport it to the station.

By command of Brigadier-General Allen:

W. C. RIVERS,
Captain, First United States Cavalry, Adjutant-General.

OFFICERS.

The quality of officers is being constantly improved.

The better the officer the smaller the force required, is an axiom. He must teach by example, and unless his mental and moral fiber be good his results are unsatisfactory. Young college men are being brought out from the States, but they require on arrival about six months' instruction before being assigned to independent stations. Highly recommended educated noncommissioned officers of the Regular Army require comparatively short periods of preparation. The Secretary of War has authorized the division commander to permit such to take examination with a view to promotion to officers of constabulary.

The following (78) sets forth the nature of the examination:

GENERAL ORDERS, }
No. 78.

HEADQUARTERS PHILIPPINES CONSTABULARY,
Manila, June 21, 1904.

Officers of the constabulary will be selected as provided below.

1. No person will be appointed who is under the age of 21 or over 30 years of age, who is not a citizen of the United States, unless he has been honorably discharged from the military or naval service of the United States, or who is not a native of the Philippine Islands or a person who has, under and by virtue of the treaty of Paris, acquired the rights of a native of the islands; or who is not physically qualified to discharge all the duties of an officer in active service, or who has any deformity of the body or mental infirmity, or whose moral habits are not good.

2. A candidate who has been graduated at a regularly incorporated college may be appointed without mental examination on presentation of a diploma, together with a recommendation of the faculty of the institution and with full and satisfactory evidence as to mental capacity, moral character, and personal habits, and occupation since graduation, if the date thereof is not more than two years before date of making application. An applicant who has graduated at a college giving military instruction will give his full record in the military department.

3. Every candidate appearing for examination will be subjected to a rigid physical examination, which will conform to the standard required of recruits for the United States Army, and applicants for appointment from the United States must include in their papers a certificate of physical examination by two physicians, which will embrace the information required by the form for the examination of recruits.

4. All applicants, except those specified in paragraph 2 above, will be examined as outlined herein below. No candidate will be examined unless he has the authority of the chief of constabulary to appear for examination, and in the case of a soldier in the United States Army the authority of the division commander.

5. The examination of candidates will include the following:

(1) Grammar, including spelling and writing from oral dictation.
(2) Arithmetic, including the application of its rules to all practical questions.
(3) Geography, with reference to the general geography of the world—the principal physical and political divisions of the earth's surface.

(4) History, including the elements and outlines of general history, and particularly the history of the United States.

(5) Constitutional law, including the elements of the Constitution of the United States and the main principles upon which the Government under it is organized.

(6) Examination will also be made as to the general qualifications of each applicant, including aptitude and probable efficiency as an officer of the constabulary. The military record of an applicant who is or has been a soldier, as certified to by his company and post commanders, will be considered under this subhead. In the case of an applicant who is or has been recently a soldier in the Army a portion of the examination under this subhead will be a practical test in the drill regulations of the Army in which he has served, and oral questions in the main principles of army administration and discipline.

(7) Physical aptitude, as determined by the medical examination or other evidence submitted.

(8) Careful inquiry will be made concerning the antecedents, personal habits, and moral character of each applicant, who must submit evidence from reputable persons. Candidates will not be graded under this head, but those whose habits and associations are not up to the standard, or who are addicted to the use of intoxicants, will be reported as not suitable to appointment.

6. In awarding marks the relative weights will be given to each subject as in the form below. The general average of a candidate will be computed as follows: Mark each question according to its relative weight, and reduce the aggregate marks thus obtained in each subject to a scale of 100; the result will give the average proficiency in the subject. Multiply the average in each subject by the number indicating the relative weight of the subject and divide the sum of the products by the sum of the relative weights; the quotient will be the general average. No candidate will be passed who shall not have obtained an average of 60 per cent in each subject, and a general average of at least 66 per cent.

Example.

No.	Subject.	Averages.	Relative weight.	Products of multiplication by relative weights.
1	English grammar.....	82	3	246
2	Mathematics.....	76	4	304
3	Geography.....	80	2	160
4	History.....	73	3	219
5	Constitutional law.....	65	2	130
6	Aptitude and probable efficiency.....	80	5	400
7	Physique.....	87	3	261
	Total.....		22	1,720
	General average.....			78.17

7. Where several candidates are examined, the order of relative merit of all will be reported. Candidates who pass the required examinations and are recommended for appointment will be placed upon an eligible list and will be appointed as vacancies occur should there be not sufficient vacancies for them at the time of examination.

By command of Brigadier-General Allen:

W. C. RIVERS,
Captain, First United States Cavalry, Adjutant-General.

In the subsequent examinations for promotions general fitness is rated at 25 as against 15 for the highest study.

Results of operations of constabulary and scouts for the fiscal year ending June 30, 1904, by districts; also a comparison with preceding year.

	First district.	Second district.	Third district.	Fourth district.	Fifth district.	Total, 1904.	Total, 1903.
Arms captured:							
Rifles.....	137	152	48	36	23	396	449
Shotguns.....	60	27	29	3	5	124	130
Revolvers.....	95	31	59	9	10	184	366
Cannon.....	1			1		2	3
Bolos.....	130		158			288	2,498
Ammunition.....	2,324	1,744	1,159	1,176	213	6,616	
Stolen animals recovered:							
Carabaoes.....	342	5	133	11	3	494	1,291
Horses.....	198	1	14	24		237	403
Number of patrols, etc.....	3,849	516	1,441	462	170	6,438	5,351
Miles covered.....	52,875	21,851	45,689	28,465	9,462	158,522	222,457
Number of encounters with							
outlaws.....	111	37	76	6	5	235	357
Outlaws killed.....	191	63	150	17	10	431	1,185
Outlaws wounded.....	94	13	25		7	139	
Outlaws captured.....	941	164	161	86	20	1,364	2,722
Enlisted men deserted.....	7	1	8	27	9	52	84
Enlisted men killed.....	20	1	8	3		32	53
Enlisted men wounded.....	15		5	1		21	25
Enlisted men died.....	31	29	52	6	10	118	
Number prisoners sentenced—							
More than two years.....	638	127	201	84		1,050	
Less than two years.....	347	1,086	453	342	10	2,238	
Number prisoners in provincial jail at end of year.....	1,688	464	241	372	69	2,834	
Officers killed.....			1	1		2	5
Officers died.....	3		1		1	5	7
Officers wounded.....							6

The above table shows that there were only 431 outlaws killed in 1904, as compared with 1,185 in 1903; that the constabulary casualties, killed and wounded, were 55 in 1904, and 88 in 1903; that the firearms of all classes captured were 706 in 1904 and 948 in 1903; that the miles covered in patrols, reconnoissances, and pursuit of criminals were, respectively, 158,532 and 222,457; that percentage in desertions were 0.007 and 0.013, respectively. If the Vigan deserters be not included, then the percentage for 1904 is only 0.005. In general, it may be said that the loss by desertion is insignificant.

The coming year will doubtless show a still relatively greater improvement in peace conditions than has the past year.

DIVISION OF INFORMATION.

Considering the money expended, this division, under Captain Grove, is probably more effective in securing results of certain kinds, difficult to officials or agents without special training and aptitude, than any other element of the constabulary. It comprises a map section and a detective section, with subsections at Iloilo, Malabon and Alfonso, Cavite, and Tanauan, Batangas. Besides, every senior inspector may have one or more secret-service men operating in connection with the central office. For special cases occurring in the provinces detectives are sent out from Manila for investigations. The following table shows what has been accomplished by this division during the year:

Cases reported and acted upon by the division of information from July 1, 1903, to June 30, 1904.

Arrests.....	1,483
Fugitives (all classes) killed.....	14
Number convicted.....	240
Number acquitted.....	53
Number awaiting trial.....	135
Number not reported, convicted, or acquitted.....	1,039
Number revolvers and rifles captured.....	81
Number carabaos captured.....	186
Number horses captured.....	22
Rounds ammunition (all kinds) captured.....	4,123
Secret-service men and spies killed.....	6
Daggers captured.....	9
Bolos captured.....	42
Prisoners died while awaiting trial.....	16

Evidently there have been more convictions than is here given, but as this office has not been kept notified of the final disposition of cases by the courts, it is impracticable to give the exact number of acquittals or convictions.

Ricarte insurrection case.

Number arrests.....	42
Number not arrested.....	25
Number complaints filed.....	67
Number not tried.....	2

Secret-service men, division of information, Philippines Constabulary, employed, discharged, reinstated, killed, etc.

Employed.....	118
Discharged.....	76
Reinstated.....	6
Resigned.....	8
Killed.....	5

REPORTS OF ASSISTANT CHIEFS.

The accompanying reports, submitted by the commanding officers of the five constabulary districts and the chief supply officer, contain much information not only valuable as setting forth the conditions as to peace and order in the archipelago, but also useful in furnishing data for future historical work. They are, therefore, given in full. They show so well the kind and quality of work that has been performed that special attention is invited to their perusal. Persons unacquainted with the services of these officers have but a vague conception of what has devolved upon them or what they have accomplished. The work has involved continuous field service, in many respects resembling that accomplished by the army from 1898 to 1900, but naturally against smaller bands.

FIRST DISTRICT (TAGALO).

Headquarters, Manila; Col. W. S. Scott, commanding. This command is composed of 2,200 constabulary and 1,700 scouts, occupying about 80 posts. The population of this district is 1,949,154.

SECOND DISTRICT (TAGALO AND BICOL).

Headquarters, Lucena, Tayabas; Col. H. H. Bandholtz, commanding. This command is composed of 1,200 scouts and 1,000 constabulary, occupying about 43 posts. The population of this district is 1,000,000.

THIRD DISTRICT (VISAYA).

Headquarters, Iloilo; Col. W. C. Taylor, commanding. This command is composed of 2,000 scouts and 1,750 constabulary, garrisoning about 80 posts. The population of the district is 2,856,783.

FOURTH DISTRICT (ILOCANOS AND MOUNTAIN TRIBES).

Headquarters, Vigan, Ilocos Sur; Maj. Jesse S. Garwood, commanding. This command is composed of 900 constabulary and occupies about 33 posts. There are also two companies of scouts commanded directly from Manila. The population of this district is 727,781.

FIFTH DISTRICT (MOROS, VISAYAS, AND WILD TRIBES).

Headquarters, Zamboanga, Mindanao; Col. J. G. Harbord, commanding. This command has an authorized strength of 800 constabulary, but it is not yet fully organized. At present there are 14 stations. The population of the district is 278,183. The commanding general of the department of Mindanao is also governor of the Moro Province. The relations of the constabulary to the civil government in this district are somewhat modified by the so-called Moro act.

CHIEF SUPPLY OFFICER.

Col. David J. Baker, Manila. This officer has direct supervision over all the supply departments. This work is so intimately connected with the existence and maintenance of the constabulary that the reports of Colonel Baker and the heads of divisions are herewith incorporated in this report.

HEADQUARTERS PHILIPPINES CONSTABULARY,
OFFICE OF THE CHIEF SUPPLY OFFICER,
Manila, P. I., July 27, 1904.

SIR: I have the honor to submit the following report for the fiscal year ending June 30, 1904:

This office was originally created to purchase the supplies necessary to feed, clothe, arm, equip, and quarter the constabulary. When the undersigned was detailed to it the further function of supervising and coordinating the work of the supply divisions was assigned to it.

In practice the assistant chief supply officer attends to all purchasing details, and the chief supply officer, assisted usually by an examiner, to the supervising.

To how considerable the yearly purchases now amount is shown in the reports of the various division chiefs. The policy has been followed of making them, generally in large quantities, of Philippine merchants, by contract after advertising. It is believed that this has resulted in economy to the government and satisfaction to the merchants.

Of course all ordnance has been purchased from the United States Army, and in this and in providing clothing and equipage in emergency both the Ordnance and the Quartermaster's departments have proved willing friends.

Experience has shown that certain staple stores, the use of which is general and not confined to this bureau, can be more advantageously obtained of the insular purchasing agent, and accordingly he is depended on for all imported forage, leather, cleaning supplies, and hardware.

The supervising and coordinating of the supply divisions, and the distribution of stores and funds to 47 district and provincial headquarters has necessitated correspondence aggregating more than 13,000 communications. This is notwithstanding the fact that in dealing with the six supply divisions themselves unrecorded memoranda are used whenever practicable and the division chiefs for the last six months have been, on all routine matters, corresponding direct with those concerned.

In addition to the routine of supervision, purchase, and distribution, various orders intended to improve fiscal organization and administration were drafted in this office. Among them were those regulating the issue and account of clothing; regulating the issue of firearms and ammunition to municipalities; creating district supply officers and allotting disbursements to district and provincial headquarters; organizing and regulating the medical division; defining the duties of responsible and accountable officers concerning property, and establishing a ration system for enlisted men.

Some features of the clothing system that were devised to insure prompt liquidation of old accounts can probably be now simplified.

It is believed that the ration system is as simple, flexible, and practical a one as can be devised to meet the nature of our service and the character of the country. The very favorable reports of a majority of the district chiefs confirm this opinion.

The idea of a chief supply officer did not originate with the constabulary; the creation of such a position in the headquarters staff of the United States Army was suggested some years ago by the then Secretary of War, Mr. Root; but as far as known there is no exactly similar position in any military organization other than this. The writer believes that the experiment has proved a success, in that it has tended to efficient and economical cooperation between the different supply chiefs; has insured close attention to the wants of those in field and garrison; has resulted in close adaptation of financial means to constabulary ends, and has freed the chief of a mass of detail that hampered and interfered with his real and more important duties.

In the constabulary all supplies are ultimately distributed through provincial supply officers, and most disbursements of funds are made through them and the district supply officers. At first glance the system seems novel, but in reality it only considerably differs from the practice in our army in segregating at a district or provincial headquarters all fiscal matters in the hands of one man; and in this regard more approximates to the German system and the British garrison system than to American precedents. After an acquaintance with it of some years, and a direct charge of its administration of more than a year, the writer can find no serious fault with the system, and no substitute as well adapted to the peculiarities of the service and of the country.

The personnel has in too many cases proved dishonest or incompetent. While the casualties among this class of officers show that there has been no condonation of guilt or compromise with justice, it is certain that many derelictions have been due not to bad morals but to lack of proper education and of training in responsibility, and to relaxing and enervating environments.

The remedy for this condition is the employment of better bred, educated, and trained men, at larger salaries. There seems little doubt that this solution will soon be supplied.

The telegraph division was organized to take over and operate for the civil government lines no longer needed by, or that for lack of men could no longer be operated by, the signal corps detachment of the Philippines Division.

What the growth of this division during the past year has been is shown by these figures: The telegraph lines operated by it have increased from 505 to 2,037 miles; the telephone lines from 1,871 to 2,213 miles; the cables from 85 to 163 miles; an aggregate increase of 1,953 miles. In consequence the telegraph offices have been increased from 23 to 60, and the telephone offices from 155 to 350.

The mileage of lines transferred was 690, included in which are the Aparri-San Fernando trunk line and important ones in Negros and Panay. The mileage of lines constructed was 777; included in this is the Luzon-Catanduanes cable, which was laid with the indispensable assistance of the U. S. cableship *Burnside*. The mileage of lines reconstructed was 102.

The United States Signal Corps now operates telegraph lines, 1,351 miles; cables, 1,460 miles; telephone lines, 398 miles; an aggregate of 3,210 miles requiring 78 telegraph and 436 telephone offices. The aggregate mileage of the constabulary telegraph division is 4,414 miles.

Due to the fact that the signal corps is operating nearly all the large revenue-producing offices, it handled 78 per cent of the commercial messages, the total revenue from which was \$58,675.67. However, even of this the share of the telegraph division increased from \$1,884 in 1903 to \$12,908 in 1904.

Most of the construction and reconstruction has been of a lasting nature, using iron instead of wooden poles.

To meet this growth in mileage and work, the American operators and linemen have increased from 31 to 67, and the native operators and linemen from 99 to 120.

The most immediate wants of the archipelago in order of importance are the laying of a cable between Iloilo and Bacolod, which besides saving much mileage and relay would give two southern trunk lines; the building of a telegraph line across Samar, and of one in southern Mindanao, and of another from Bautista to Bayombeng via the San Nicolas Pass. Their construction waits on the necessary appropriations and the obtaining of a cableship.

The training of native operators has progressed so satisfactorily that success is assured.

The Ilocanos seem most promising, and the schools at Vigan and Manila insure a constant and adequate supply.

This year the division cost approximately \$155,237, of which \$74,428 was for salaries and wages and the remainder for materials, transportation and installation.

It will be noticed that the number of officers is relatively much less than during 1903. It is intended to continue decreasing them, thus raising their standard. In view of this the recommendation of the superintendent that they, like other constabulary officers, be given military rank, is approved.

The ordnance division started with an equipment that is listed in the report of the ordnance officer as "Receipts from U. S. Army," and the value of which as determined by the board convened for the purpose totaled \$119,622.23. Since the creation of the constabulary the writer has been accountable for these stores, but the settlement of counterclaims between the army and the civil government, authorized in a recent act of Congress, will enable him to rid himself of this accountability and transfer the stores to the ordnance officer, who will then become accountable for them to the insular government.

This nucleus has been added to from time to time by cash purchases, usually of the Army Ordnance Department. During the past year these purchases amounted to \$35,860.

Prior to this year all repairs for the constabulary were done at the Manila Ordnance Depot; but because its allotment of funds was only sufficient to do the work of the Philippines Division, and because the amounts paid by the constabulary did not revert to this arsenal, this became impracticable. In consequence it became necessary to install a cleaning, repairing, and bluing plant, which will soon be completed. This work will then no longer be done by hand, but better, quicker, and cheaper by machinery. Besides repairing its own leather equipment this division repairs all harness used by the quartermaster's division. On the whole this division is well equipped, and it is well managed.

Its cost for the year ending June 30 was \$45,899, of which \$7,452 was for salaries and wages and the remainder for stores and material.

In its organization, equipment and work this division has been much aided by Colonel Russell, late chief ordnance officer of the Philippines Division, and his assistants.

During the year the medical service has been segregated into a division, and its duties apportioned and regulated. The superintendent has done much to raise the standard of the lieutenants, and is now able to recommend the appointment of only licensed graduates of medical schools to those positions. It now operates seven hospitals and two wards, having a total bed capacity of 200. In them there was treated 1,332 persons, of whom only 26 died.

It also has in every province of the first, second, and fourth districts hospital corps men who are capable of giving first aid to the wounded, and of treating minor complaints.

Through the superintendent and his district surgeons, supplies are distributed and accounted for, bills for medical and surgical service checked, hospitals supervised, and the

The writer is far from believing that all first lieutenants of scouts are worthy of being made captains, nor would it be for the best interests of the scout organization to fail to profit by the provision of the act detailing first lieutenants of the line as captains of scouts. Without such infusion of new blood, the standard of the organization would slowly drop; there would eventuate a tropical level. What has been said with regard to lieutenants and captains likewise applies to captains and majors.

The importance of having scout companies formed into battalions impresses itself continually with more force. Detached as they now are at one-company posts and less, even though not widely separated in distance, the question of drill, discipline, and a proper supervision of their duties and necessities leaves much to be desired. Under present conditions there are too few officers available for this work, and these companies can not receive the attention they should have.

To say, however, that scouts deteriorate operating under the provisions of the act of January, 1903, is equivalent to saying that an army deteriorates in war—in the very act for which it was created. It is true that the standard of garrison efficiency and drill skill is lowered in each case, yet it does not become a soldier to bemoan the inconveniences and disadvantages of war or of any other duty that may be the supreme goal of his existence.

Good active battalion commanders would make the work of scouts far more effective and would simplify their command and administration. They would also help maintain garrison efficiency. The importance of organizing companies into battalions under their present duties and separated stations is more imperative than if they were concentrated in posts. A proper inspection of scouts could then be made by the battalion commanders and their administrative needs be better effected by officers of the regular supply departments, either as at present or by the detail of these officers with the civil government.

The following is from Colonel Scott's report, and shows that he does not agree with some concerning the deterioration of scouts with constabulary:

I am fully prepared to show that the efficiency of scout organizations in the first district has been materially improved by the services which they have been called upon to perform since February, 1903, with the civil government, in assisting in maintaining the peace, in conjunction with the constabulary. Officers have become proficient in the multitudinous duties which have devolved upon them through the best of schools—experience.

The men have learned to be self-reliant and capable of caring for themselves in the field. The noncommissioned officers have learned the duties of scouting, making arrests, and handling prisoners while keeping within the confines of the civil laws.

Both officers and men are in good physical condition and hardened by field service. The benefits of this were brought especially to my notice last winter, while operating in the field in Ilocos Sur, where scout organizations were thrown together which had and had not been performing this duty.

In matters of courtesy and command, analogous relations should exist between scouts and constabulary to those now existing by law between regulars and volunteers. When the nature of the service, the equality as to intellectual, social, and professional attainments of the officers, and the identity of the enlisted strength are considered, the justice of this is as apparent as the ensuing results would be real. This is a highly important matter, and should receive early consideration.

If the enlisted men of scouts while serving in the Philippines be made amenable to the courts of first instance for major offenses, a long step in business procedure will be effected, and it is so recommended. I know of but one objection to this measure that could be advanced, namely, custom of the service, which in my opinion has no value as an argument in this particular case.

It is not believed that the present tendency toward maintaining scouts, both as regards quantity and kind of supplies, on a footing with American soldiers regardless of the tremendous difference of conditions can be justified from any point of view, either by Americans or impartial Filipinos. It is based on the principle that actuated the officer who insisted that laborers employed under him should have 1 peso a day, when an ample number were available at half a peso.

The present ration system renders the scouts less mobile than the constabulary. It should be made more flexible by the introduction of a money allowance in part or whole for expeditionary work. This would be more economical, and would largely relieve a detachment from being tied down to a train of cargadores whenever it takes to the field.

The undersigned believes that the present force of scouts and constabulary is sufficient to fully meet the requirements of the insular government, and that a more ample coordination of their duties under the civil governor can be obtained in a large measure under existing law, and by making effective the following, which he urgently recommends:

(1) The appointment of three officers for each company, half of the captaincies to be filled by promotion of scout officers and half by detail from the Army.

(2) The organization of battalions and the appointment of battalion commanders at the rate of four from the line of the Army and one from scout officers.

(3) That section 9, Act 175 of the civil commission, be made applicable to scout organizations serving under the civil governor.

(4) That enlisted men of scout organizations serving in the Philippines be made amenable for offenses not cognizable by summary courts to courts of first instance.

(5) That in matters of courtesy and command analogous relations be established between scouts serving with the civil government and constabulary as exist by law between regulars and volunteers of the army.

(6) That the scout ration be made more flexible by the introduction of a money allowance.

The undersigned desires to give public expression to the valuable services which the body of scouts has rendered the insular government, and to the willing and effective way in which both officers and men have responded to the arduous and complex duties imposed upon them. Above all, special credit is due Brig. Gen. George M. Randall, commanding Department of Luzon, where the majority of the scouts have been serving, for his full and complete cooperation with the requirements of the insular government and for his strict compliance with the letter and spirit of act of Congress approved February 2, 1901.

examination of recruits and discharged men arranged. Provision for organizing a detachment of this division in the fifth district is made in the pending appropriation bill.

While the organization is simple and inexpensive, it admits of reasonable expansion, and has met the demands made on it. However, it must be remembered that the constabulary avails itself of the many army hospitals in the provinces, and of the Civil Hospital in Manila, and only depends on its own medical division for first succor to the sick and wounded, hospital treatment in remote localities, and competent details to accompany expeditions and detachments in the field.

The appointment of constabulary medical officers as presidents of the boards of health in the provinces in which they are serving is recommended. The extra compensation will insure the securing of competent physicians, and thus benefit both the constabulary and the provinces.

This division cost during the past year about \$27,565, of which \$3,866 was for supplies. The commissary division, which supplies not only the constabulary but other civil bureaus and employees in the provinces, has an approximated working capital of about \$232,500. It sold during the year about \$107,000 worth, and transferred to provincial branches about \$242,500 worth of stores. It purchased \$319,000 worth of supplies, for \$23,000 worth of which it still owed at the end of June. All this would indicate that the working capital is too small and that it is turned over on an average of not to exceed 1.5 times a year.

The financial statement for the fourth quarter is not yet complete; that for the quarter ending March 31 is, and shows a net profit for the two and one-half years' operations of a little more than \$25,000. Much of this will be wiped out by the heavy losses sustained on rice during the last six months.

Bearing in mind that of the \$17,000 annual charge for salaries and wages the constabulary pays \$13,000; that prior to this year most of its transportation was paid not from its own but from constabulary funds, and that the great bulk of its transportation is now donated by the bureau of coast guard and transportation and by this bureau; and its annual loss from waste and damage is at least \$15,000—it is evident that the 10 per cent surcharge gives no profit.

For this the efficient and saving superintendent is in no way responsible. It is due in great measure to the difficulty and cost of transportation to remote stations. It costs from 50 to 100 per cent of their value to deliver commissaries at Baguio in Benguet, at Cervantes in Lepanto-Bontoc, at Bayonbong in Nueva Vizcaya, and at Ilagan in Isabela. The losses due to indifferent supply officers have also been considerable.

However, when it is considered that the insular government thereby insures the feeding of its much scattered constabulary and of its widely distributed insular and provincial officials and employees, it may congratulate itself on breaking so nearly even.

By your direction an increase of \$50,000 in the working capital has been requested. In that it should insure prompt payment and cheaper prices, real economy should result.

In July, 1903, no reliable information could be obtained from the quartermaster's division as to stores on hand—contracted for; nor as to its expenditures for fixed charges, transportation, and supplies.

These defects were due to cramped office and storage space, lack of system, and an ill-defined division of disbursements between the paymaster and the quartermaster.

They were largely corrected by removal to more commodious quarters, by the introduction of system, by confining all headquarters disbursements to the paymaster, and by relieving the quartermaster of accountability for property that pertained to the other supply divisions.

Great saving was also made in transportation charges by using, whenever possible, coast guard cutters, by increasing the land transportation, and by acquiring the launches and lighters necessary to load all stores. Not least was this done by detailing an officer as transportation quartermaster, who has done excellent work. In these matters the constabulary has been greatly assisted in manifold ways by the bureau of coast guard and transportation. From its chief down they have gone out of their way to divide burdens and aid us in every way.

This division, which handles the freight for all divisions, made 2,350 shipments aggregating nearly 4,000 tons. Of this about four-sevenths went by Government vessels, and of the remainder seven-fifteenths had to be shipped by rail to points not reached by water. Of the freight carried by commercial vessels, the greater weight was iron telegraph poles, which the coast guard fleet can not handle. The transportation of material and personnel cost approximately \$59,965. The great amount of stationery supplied has proved inadequate and should be increased.

The many and diverse relations between the different headquarters and offices of the constabulary and others of the insular government, of the army, and of the different provincial governments, and of the people of the archipelago entail an immense correspondence.

During the year effort has been made to so equip the constabulary with land and water transportation as to insure its mobility and safeguard it against the exactions of local contractors. In doing this China has been drawn on for mules, horses, and carabao, the United States for wagons and carts, and the Philippines for carretelas, boats, and lighters.

A thoroughly equipped pack train, manned by skilled packers, has been so far organized that the Benguet and Nueva Vizcaya detachments are doing good service, and mules for the Lepanto-Bontoc detachment are in progress of delivery.

There was spent for vehicles, animals, boats and other transport equipment, \$69,197.

While the constabulary has never been so well clothed as during the past year, that problem still presents vexatious and unsatisfactory phases. That over \$33,000 was paid to discharged men for clothing not drawn in kind seems to indicate that the allowance is ample. Also the placing of orders for large quantities long ahead of the date of delivery has insured reasonable reserve stocks and cheapened the clothing price lists. On the other hand, some articles, and especially the important components of footgear—shoes and leggings—have proved unsatisfactory and caused much complaint.

The only reliable source from which shoes, leggings, and some other supplies can be obtained is the Army Quartermaster's Department, and efforts to tap it are recommended. During the year there was paid for clothing and equipage \$212,095. For the same period the personnel of the quartermaster's division cost \$14,050.

The paymaster's division has disbursed about \$790,000 and transferred about \$1,340,000 to the various supply officers; in other words, handled about \$2,130,000 with an accuracy and a conformity to law that has practically freed it of those necessary pests—auditor's difference sheets.

Except under "Commissary stores," where lack of funds has sometimes prevented, all disbursements have been made most promptly. Well-founded complaints have sometimes been received of slowness in getting funds to outlying stations, thus delaying the payment of obligations and impairing the credit of the service. This was due to causes, some of which were and some not avoidable. It was never due to delay or inefficiency on the part of the paymaster's division. Realizing the importance of the difficulty the Commission has practically eliminated it by continuing old appropriations in force pending the passage of new ones.

The division lacks the clerical force necessary to sift statistical information and keep it up to date. In consequence when estimates and reports are in preparation, it and this office must practically cease all ordinary work and combine to seek the necessary data. What statistics there are in this report were obtained by adding the paymaster's disbursements and transfers to my records of outstanding obligations and subtracting the surpluses reported by the various supply officers. This division cost \$4,400, but is now costing at the rate of about \$5,500 per annum.

In paying, feeding, clothing, arming, equipping, transporting, quartering, doctoring, and providing for the other wants of the constabulary, some \$2,210,000 in funds and stores were handled and distributed. The cost of this, including that of this office, \$8,400, that of the supply officers, \$72,000, and that of the personnel of the telegraph division, \$74,500, was about \$211,000, or about 9½ per cent.

Considering only officers and enlisted men, and eliminating the telegraph division, which is a useful but not essential adjunct, the per capita cost of the constabulary during the fiscal year 1903 was about \$275, and during the fiscal year 1904 about \$253. This great saving was due to a variety of causes, but in large part to the efficiency and mutual cooperation of the chiefs of the supply divisions, Captains Fisk, Schultz, Baker, Robertson, Lovejoy, and Wheat, and the assistants in this office, Captains Ross and Harpold, all of whom I commend to your consideration. The reports of the six division chiefs are forwarded herewith.

Respectfully,

D. J. BAKER, Jr.,
Chief Supply Officer.

THE ADJUTANT-GENERAL PHILIPPINE CONSTABULARY,
Manila, P. I.

HEADQUARTERS PHILIPPINES CONSTABULARY,
TELEGRAPHIC DIVISION,
Manila, P. I., July 15, 1904.

SIR: I have the honor to make the following report for the telegraph division for the fiscal year ending June 30, 1904:

Personnel.

	June 30, 1903.	June 30, 1904.	Increase.
Officers.....	20	22	2
American operators.....	19	37	18
American linemen.....	12	30	18
Clerks.....		1	1
Native operators.....	16	65	49
Native linemen (civilian).....	2	11	9
Detached linemen (enlisted).....	81	134	53
Messengers.....	5	11	6
Total.....	155	311	156

Equipment.

Telegraph offices.....	23	66	43
Telephone offices.....	155	350	195
Telegraph lines..... miles..	505	2,037.5	1,532.5
Telephone lines..... do..	1,871	2,213.5	342.5
Cable..... do..	85	163	78
Total..... do..	2,461	4,414	1,953

Salaries and wages.

[United States currency.]

	Fiscal year 1903.	Fiscal year 1904.
Officers.....	\$10,913.66	\$23,984.45
Civilian operators.....	4,562.00	23,119.12
Civilian linemen.....	2,493.43	15,190.38
Clerks.....		432.08
Messengers.....	160.07	410.95
Enlisted operators.....	1,228.10	11,291.71
Total.....	19,357.26	74,428.69

Provincial list of telegraph and telephone lines.

Province.	Tele- graph.	Cable.	Tele- phone.	Province.	Tele- graph.	Cable.	Tele- phone.
	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>		<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>
Abra.....	13		32	Masbate.....			61
Albay.....	33	30	33	Mindoro.....			89
Ambos Camarines.....			107.5	Misamis.....			95
Antique.....	9		60	Negros Oriental.....	156		2.5
Bataan.....	38		27	Negros Occidental.....	103		47
Batangas.....			127	Nueva Ecija.....	81		62
Benguet.....	29		21	Nueva Vizcaya.....	69		
Bohol.....	16.75		83.75	Pampanga.....	174		68
Bulacan.....	108		71	Pangasinan.....	229.25		114
Capiz.....			113	Paragua.....	4	85	
Cagayan.....	80		0.75	Rizal.....	21		28
Cavite.....			116	Sorsogon.....			48.5
Cebu.....			170	Surigao.....			2
Ilocos Norte.....	40		53	Tarlac.....	164		51
Ilocos Sur.....	115			Tayabas.....			87
Itoilo.....	45		189	Union.....	80		15
Isabela.....	103			Zambales.....	184.5		15
Laguna.....			111.5				
Lepanto-Bontoc.....	63		59				
Leyte.....	79	48	54	Total.....	2,037.5	163	2,213.5

Lines transferred from signal corps during fiscal year 1904.

	Mileage.
San Jose, Antique, Panay to San Joaquin, Antique.....	18
Olongapo, Zambales to Dinalupijan, Bataan.....	25
Dinalupijan, Bataan, to Angeles, Pampanga.....	32
Tagudin to Candon, Ilocos Sur.....	17
Candon to San Esteban, Ilocos Sur.....	10
San Esteban to Abra, Ilocos Sur.....	20
Abra to Vigan, Ilocos Sur.....	6
Vigan to Salomague, Ilocos Sur.....	21
San Fernando to Angeles, Pampanga.....	10. 25
Aparri, Cagayan, to San Fernando, Pampanga.....	333
Dagupan, Pangasinan, to Rabon, Union.....	18
Iloilo to Tigbauan, Iloilo, Panay.....	16
Tigbauan to San Joaquin, Iloilo, Panay.....	20
Bacolod to Silay, Negros.....	10
Seravia to Manapla, Negros.....	11
Silay to Seravia, Negros.....	9
Castellana to Isabela, Negros.....	18
Isabela to Himamaylan, Negros.....	18
Himamaylan to Cabancalan, Negros.....	9
Cabancalan to Isio, Negros.....	20
Rabon to Baoang, Union.....	23
Baoang to San Fernando, Union.....	6. 5
San Fernando, Union, to Tagudin, Ilocos Sur.....	27. 5
Total.....	690. 25

Lines constructed during fiscal year 1904.

Tabaco to Malinao, Albay.....	4
Malinao to Tivi, Albay.....	5
Guinobatan to Jovellar, Albay.....	14
Polangui to Libon, Albay.....	7
Tabaco to Malinao, Albay.....	58
Malinao to Cololbong, Albay (cable).....	
Cololbong to Virac, Catanduanes, Albay.....	8. 5
Bugason to Valderrama, Antique, Panay.....	6. 5
Sibalon to San Remigio, Antique, Panay.....	3
Pantay to Santo Tomas, Batangas.....	6
San Jose to Tanauan, Batangas.....	18
Nasugbu to Looe, Batangas.....	12
Dagupan, Pangasinan, to Twin Peaks, Benguet.....	42. 5
Temporary telephone line connecting work camps on Benguet Road with Twin Peaks and Baguio, Benguet.....	21
Rosario to Novaleta, Cavite.....	2. 5
San Fernando, Pampanga, to Malolos, Bulacan.....	22
Malolos to Hagonoy, Bulacan.....	4
Malolos to Polo, Bulacan.....	13. 5
Tagbilaran to Loon, Bohol.....	16
Capiz to Sapián, Capiz, Panay.....	15
Sapián to Balete, Capiz, Panay.....	27
Indang to Naic, Cavite.....	14
Naic to San Francisco de Malabon, Cavite.....	12
Malabon to Rosario, Cavite.....	3
Cavite to Novaleta, Cavite.....	6. 5
Rizal boundary line to Imus, Cavite.....	8
Indang to Amadeo, Cavite.....	18
Indang to Alfonso, Cavite.....	
Indang to Quintana, Cavite.....	65
Balamban to Bogo, Cebu.....	
Cebu to Naga, Cebu.....	12
Tagudin to Alilem, Ilocos Sur.....	8
Banate to Barotoc Viejo, Iloilo, Panay.....	6
Barotoc Viejo to Ajui, Iloilo, Panay.....	24
Ajui to Sara, Iloilo, Panay.....	6
Sara to Concepcion, Iloilo, Panay.....	8
Santa Barbara to Jaro, Iloilo, Panay.....	8
Iloilo to Molo, Iloilo, Panay.....	3

	Mileage.
Tanauan, Batangas, to Calamba, Laguna.....	12
Biñan to Santo Domingo, Laguna.....	10
Cervantes to Bontoc, Lepanto-Bontoc.....	25
Palo junction to Alangalang, Leyte.....	16
Tanauan to Tolosa, Leyte.....	6
Valle Hermosa to Escalante, Negros.....	62
Valle Hermosa to Hacienda Viñas, Negros.....	2
Apalit to San Luis, Pampanga.....	7
Binalalunga to Pozorrubio, Pangasinan.....	7
Pozorrubio to Twin Peaks, Benguet.....	15
Dagupan to Bunuan, Pangasinan.....	1
Cable landing to telegraph office, Paragua.....	4
Muntinlupa to Paranaque, Rizal.....	10
Donsol to Pilar, Sorsogon.....	7. 75
Pilar to Sorsogon, Sorsogon.....	40. 5
Capas to Concepcion, Tarlac.....	5. 25
Alaminos to Bolinao, Zambales.....	30
Bani to Agna, Zambales.....	12
Anda to main line, Zambales.....	4
Total.....	777. 5

Lines reconstructed during the fiscal year 1904.

San Jose to boundary line, Antique, Panay.....	9
Dinalupijan to Balanga, Bataan.....	20
Tagbilaran to Bacayon, Bohol.....	5
Naic to Marongondon, Cavite.....	4
Inus to Dasmariñas, Cavite.....	8. 5
Balamban to Tuburan, Cebu.....	20
Nueva Caceres to Libmanan, Ambos Camarines.....	16
Cabugo to Pasuquin, Ilocos Norte.....	60
Carcar to Dumanjug, Cebu.....	20
Junction to Balamban, Cebu.....	22
Jaro to San Joaquin, Iloilo, Panay.....	36
Jaro to Santa Barbara, Iloilo, Panay.....	8
Cervantes to Bontoc, Lepanto-Bontoc.....	18
Masbate to Cataingan, Masbate.....	61
Dumaguete to Bais, Negros.....	27
Bacolor to San Fernando, Pampanga.....	3
Santa Ana to Mexico, Pampanga.....	7
Olongapo, Bataan, to Angeles, Pampanga.....	57
Dagupan, Pangasinan, to Alaminos, Pangasinan.....	28
Lueban to Mauban, Tayabas.....	16
Candelaria to Tiaong, Tayabas.....	16
Tiaong to Dolores, Tayabas.....	9
Tayabas to Lueban, Tayabas.....	11
San Fernando to Naguilian, Union.....	13
Olongapo to Subig, Zambales.....	8
Total.....	502. 5

Commercial comparison, telegraph division.

Fiscal year.	Receipts.	Messages handled.
1903.....	\$1,884. 15	58,266
1904.....	12,908. 65	210,372

Signal Corps.

	Mileage.
Telegraph wires.....	1,351. 5
Telegraph cables.....	1,460. 299
Telephone wires.....	397. 98
Total.....	3,209. 779
Number of telegraph offices.....	78
Number of telephone offices.....	436

There were handled by the telegraph service during the fiscal year 1,753,103 messages, of which 645,173 were "sent" messages. The total revenue represented by the commercial proportion of the above business amounted to \$58,675.67 United States currency, of which sum the Signal Corps, United States Army, handled 78 per cent, and the telegraph division of the Philippines Constabulary 22 per cent. This difference is accounted for by the fact that the Signal Corps is operating nearly all the large revenue-producing offices.

The heavy reconstruction which has been carried on during the year has been rendered necessary by the condition of lines as transferred to this division, and by the necessity of the renewal of a wooden-pole line about every two years. Fifteen thousand iron poles have been received from the United States, and all except a few hundred distributed to the most needed points. The iron pole is the best pole for this country. The best grade of wooden poles requires renewal, and those that take root and grow are good when they grow and bad when they do not. The life of the iron pole has not yet been determined, and when once erected these poles can be made to stand up under as many as five wires, whereas the wooden pole, such as is ordinarily used, can not be so made. Iron poles are thus additionally valuable when more than one wire is to be carried.

Working parties are now in the field in Isabela, Zambales, both provinces of Negros, Albay, and Leyte installing iron poles. In other provinces iron poles are being constantly put in the lines by regular linemen, without the aid of repair or construction gangs.

Probably the most important duties that have been performed by the telegraph division during the last fiscal year have been the laying of the Luzon-Catanduanes cable, the taking over from the signal corps of the Aparri line, and the installation in the Oriente Building, Manila, of a telephone and electric-light system. Inspector Clement represented this division at the cable laying, which was done by the U. S. cable ship *Burnside*, and that officer is now superintending some short land line construction near Tabaco, Albay, to make connections final, and thus put the island of Catanduanes into telegraphic communication with the world.

The transfer, on May 1 and subsequent dates, of the Aparri line was effected with the assistance of the officers of the Signal Corps and Inspectors Davies, Donnelly, and Davis, of this division. Inspector Davies is now engaged in installing 1,700 iron poles on this line in the province of Isabela.

Inspector Hyland has been in charge of the electric-light and telephone work in the Oriente Building, and his work has met with praise from those who are judges. When it is considered that the building has been four times wired for electric lights and three times the job has been condemned, no small degree of credit should be given the telegraph division in general, and Inspector Hyland in particular, that this difficult electrical installation should have been carried to a successful termination. The establishment of a small telephone system in the headquarters building should also be noted as part of the work of the division.

The telegraph lines operated by the telegraph division have been districted and officers of the division placed in charge as district telegraph officers. Operators and linemen in the different districts report to and are under the orders of their respective district telegraph officers, whom the undersigned holds responsible for the proper handling of their districts. This plan has been found to work splendidly, and the service is benefited by the technical knowledge and watchfulness of the officers.

The laying of the Iloilo-Bacolod cable, the building of a line across the northern part of Samar, the building of a line in southern Mindanao, and one from the railroad near Bautista to Bayombong, and the continued rebuilding in a number of wooden-pole provinces, are bright prospects for hard labor ahead.

Sometime ago the signal officer, Philippines Division, recommended that the property officers of the Signal Corps take up the government lines on the railroad and invoice those operated by the constabulary to the telegraph division. Under the contract executed by Colonel Allen, of the Signal Corps, and Mr. Higgins, of the railroad company, that company keeps the lines in repair. The railroad company's service in this particular is fair, but that is the best that can be said of it. The undersigned agrees with the signal officer, Philippines Division, that these lines should be invoiced to some one. This division handles three wires from Manila to Dagupan, and operates all the main offices between. The Signal Corps operates one wire. Mr. Higgins has courteously furnished transportation for the two officers who cover the railroad, but interruptions occur, and when such is the case we must wait until the railroad company gets the lines up.

I believe the service will be bettered by the invoicing of telegraph property direct to district telegraph officers instead of to the supply officers, as heretofore. This idea has been followed out in two cases and will be extended to all telegraph districts when necessary. As the district telegraph officer knows the location of all property in his district, he is in a better position to care for it, and as he is aware of what the property consists, he is better fitted to do the paper work than another officer who might not know a jack strap from an ammeter.

There is a general feeling of confidence in the future of the telegraph division. Officers are studying electricians and fitting themselves for advancement.

A large proportion of the officers and civilian employees have been soldiers, and as such have learned to respect and desire a military title. Our officers feel that the title inspector means nothing, while the corresponding military title means everything. They are in command of enlisted men who respect a military title. It is my sincere belief that the making of these gentlemen into captains and lieutenants would improve the morale of the telegraph division, and thus improve the service.

I respectfully urge that this matter be favorably considered and indorsed by you and brought to the attention of the chief of constabulary.

A cable ship is badly needed in these waters. The signal officer, Philippines Division, has requested that such a vessel be furnished, or that he be authorized to arrange for the hire of a boat for cable purposes. Recent correspondence on this subject shows that an effort is being made to secure such a vessel, and the proper maintenance of the cables makes such a boat a great necessity. There is at the present time a Signal Corps cable between Zamboanga and Siassi which is not in operation for the lack of a properly equipped boat to underrun it. The Signal Corps has all the necessary machinery in Manila. Authority and funds are lacking.

The Manila Trade School has furnished us a number of operators for enlistment, and the men as taken from this school have been trained into fair telegraphers and have attended to business. It is my understanding that the instructor at the Vigan school has left, and what arrangements will be made to provide competent instruction is not known. A number of good students have been drawn from this school during the past year.

The Ilocano makes the best operator, 47 out of the 66 enlisted men being from this tribe. Respectfully submitted.

RUSH P. WHEAT,
Superintendent.

The CHIEF SUPPLY OFFICER PHILIPPINES CONSTABULARY,
Manila, P. I.

HEADQUARTERS PHILIPPINES CONSTABULARY,
OFFICE OF THE ORDNANCE OFFICER,
Manila, P. I., July 14, 1904.

SIR: I have the honor to submit the following report of operations of the ordnance division, Philippines constabulary, for the fiscal year ending June 30, 1904:

During this period the efforts of this division, aside from the supplying and repairing of arms and equipments incident to the service, have been directed chiefly to unifying the equipment of troops and gathering together at Manila all surplus ordnance stores.

Large quantities of stores previously obtained from the Manila ordnance depot have been returned.

The examining of ordnance-property returns of supply officer still forms a most important part of the duties of the ordnance officer, and time has proved its value. It is a great assistance to the auditor and greatly facilitates the settlement of their accounts, the correction of errors, and adjustments of misunderstanding, especially those concerning United States military property.

RECEIPTS OF ORDNANCE STORES FROM UNITED STATES ARMY.

The transfer of ordnance stores by army officers to the constabulary, in compliance with paragraph 4 of General Orders, No. 179, Division of the Philippines, July 20, 1901, as modified by division General Orders, No. 255, same series (which provides that the arms and equipments not yet invoiced to the chief ordnance officer will be turned over to the senior inspector of constabulary of the province wherein they are located, and that the officer transferring them shall invoice them to Capt. David J. Baker, jr., Twelfth U. S. Infantry, assistant chief Philippines Constabulary, Manila), has practically been discontinued, and only two invoices have been received during this period.

On September 28, 1901, the board of officers referred to in a communication from the Chief of Ordnance, United States Army, to determine the price to be paid for the stores transferred to the civil government, was convened by paragraph 9, Special Orders, No. 255, headquarters Division of the Philippines, 1901, and the recommendation of this board were as follows:

"No account then being taken of the cost of transportation, and without reference to the undoubtedly enhanced commercial value of the arms in the Philippine Islands, the board recommends that the following standard of prices obtain:

"1. All revolvers, shotguns, spare parts, and equipments issued from the ordnance depot to the Philippines Constabulary of the civil government, in the condition in which they were

received from the States, and all serviceable shell and ammunition, whether received from the depot or from the troops, to be sold at invoice price.

"2. Colt's revolvers, caliber .45, which, after service, have been repaired here by the ordnance department and issued from the ordnance depot to the Philippines Constabulary, to be sold at a discount of 10 per cent from the invoice price.

"Colt's revolvers, caliber .45, not repaired by the ordnance department here, but turned over to the Philippines Constabulary by officers having them in use, to be sold at a discount of 20 per cent from the invoice price.

"4. Remington shotguns repaired by the ordnance department here and issued from the department, to be sold at a discount of 20 per cent from the invoice price.

"5. Remington shotguns not repaired by the ordnance department, but turned over by officers having them in use, to be sold at a discount of 40 per cent from the invoice price.

"6. All equipments formerly in the hands of the troops or of the police in the Philippines, to be sold at a discount of 50 per cent from the invoice price.

"7. The price of such articles received in future and supplied by the ordnance department especially for the use of the Philippines Constabulary to be that of cost, or cost with transportation added, depending on whether the transfer be regarded as one made to another bureau of the War Department or to another Executive Department under paragraph 753, Army Regulations, 1901.

"8. No account to be taken of the spare parts issued to officers for repair of these arms prior to transfer to the constabulary."

Under the foregoing authorities, the following stores have been received by the Philippines Constabulary, the prices indicated being those obtained under the recommendation of the board, and are in United States currency:

Under recommendation No. 1:

1,000 Colt's revolvers, caliber .45	\$12,000.00
1,534 holsters for revolvers, caliber .45.....	1,211.86
1,200 waist belts.....	504.00
100 artillery saber belts.....	42.00
1,100 waist-belt plates.....	242.00
200 waist-belt plates, noncommissioned officers.....	50.00
500 revolver-cartridge belts, woven, caliber .45.....	500.00
3,000 canteens.....	960.00
25,439 cartridges, brass shells, buckshot.....	1,239.38
8 quarts of cosmoline oil.....	4.00
100 pounds powder, small arm, smokeless.....	85.00
183,430 revolver ball cartridges, caliber .45.....	1,467.44
11 arm chests, revolver.....	71.50
41,974 carbine ball cartridges, caliber .30.....	1,072.86
860 ball cartridges, revolver, caliber .38.....	6.81
Total.....	<u>19,964.96</u>

Under recommendation No. 2:

635 Colt's revolvers, caliber .45.....	6,858.00
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Under recommendation No. 3:

4,148 Colt's revolvers, caliber .45.....	39,820.80
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Under recommendation No. 4:

100 Remington shotguns.....	540.00
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Under recommendation No. 5:

1,604 Remington shotguns.....	6,496.20
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Under recommendation No. 6:

3,857 holsters for revolvers, caliber .45.....	1,523.52
3,092 waist belts.....	649.32
2,762 waist-belt plates.....	203.83
72 cartridge pouches.....	21.60
27 arm chests, revolver.....	54.00

Total.....	<u>2,552.27</u>
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Under authority per fifth indorsement on O. O. letter 36909223, dated September 20, 1902, and approved by the Secretary of War:

4,000 Springfield carbines, caliber .45.....	32,000.00
410,000 carbine ball cartridges, caliber .45.....	6,970.00
200 arm chests, carbine, caliber .45.....	670.00
1,124 cartridge belts, blue, caliber .45.....	1,124.00

There is a general feeling of confidence in the future of the telegraph division. Officers are studying electricies and fitting themselves for advancement.

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"Colt's revolvers, caliber .45, not repaired by the ordnance department here, but turned over to the Philippines Constabulary by officers having them in use, to be sold at a discount of 20 per cent from the invoice price.

"4. Remington shotguns repaired by the ordnance department here and issued from the department, to be sold at a discount of 20 per cent from the invoice price.

"5. Remington shotguns not repaired by the ordnance department, but turned over by officers having them in use, to be sold at a discount of 40 per cent from the invoice price.

"6. All equipments formerly in the hands of the troops or of the police in the Philippines, to be sold at a discount of 50 per cent from the invoice price.

"7. The price of such articles received in future and supplied by the ordnance department especially for the use of the Philippines Constabulary to be that of cost, or cost with transportation added, depending on whether the transfer be regarded as one made to another bureau of the War Department or to another Executive Department under paragraph 753, Army Regulations, 1901.

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1,000 Colt's revolvers, caliber .45	\$12,000.00
1,534 holsters for revolvers, caliber .45.....	1,211.86
1,200 waist belts.....	504.00
100 artillery saber belts.....	42.00
1,100 waist-belt plates.....	242.00
200 waist-belt plates, noncommissioned officers.....	50.00
500 revolver-cartridge belts, woven, caliber .45.....	500.00
3,000 canteens.....	960.00
25,439 cartridges, brass shells, buck-shot.....	1,239.38
8 quarts of cosmoline oil.....	4.00
100 pounds powder, small arm, smokeless.....	85.00
183,430 revolver ball cartridges, caliber .45.....	1,467.44
11 arm chests, revolver.....	71.50
41,974 carbine ball cartridges, caliber .30.....	1,072.86
860 ball cartridges, revolver, caliber .38.....	6.81
Total.....	<u>19,964.96</u>

Under recommendation No. 2:

635 Colt's revolvers, caliber .45.....	6,858.00
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Under recommendation No. 3:

4,148 Colt's revolvers, caliber .45.....	39,820.80
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Under recommendation No. 4:

100 Remington shotguns.....	540.00
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Under recommendation No. 5:

1,604 Remington shotguns.....	6,496.20
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Under recommendation No. 6:

3,857 holsters for revolvers, caliber .45.....	1,523.52
3,092 waist belts.....	649.32
2,762 waist-belt plates.....	203.83
72 cartridge pouches.....	21.60
27 arm chests, revolver.....	54.00

Total.....	<u>2,552.27</u>
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Under authority per fifth indorsement on O. O. letter 36809223, dated September 20, 1902, and approved by the Secretary of War:

4,000 Springfield carbines, caliber .45.....	32,000.00
410,000 carbine ball cartridges, caliber .45.....	6,970.00
200 arm chests, carbine, caliber .45.....	670.00
1,124 cartridge belts, blue, caliber .45.....	1,124.00

Under authority per fifth indorsement on O. O. letter 36909223, etc.—Continued.

1,124 cartridge-belt plates, caliber .45.....	\$281. 00
1,876 cartridge belts, gray, caliber .45, with fasteners.....	2,345. 00
Total.....	43,390. 00
Grand total.....	119,622. 23

In addition to the foregoing I have received 3,317 Remington rifles and 96,706 Remington cartridges. These rifles were a part of the arms purchased by the United States Government from the Spanish Government and from the insurgents and were paid for from public civil funds.

ISSUE AND RECEIPTS OF STORES.

During this period the number of requisitions received at this office amounted to 153.

The number of issues of ordnance stores for this period amounted to 147 and the total number of receipts during this period amounted to 177.

The ordnance office has responded most liberally to all demands made and has supplied requisite stores as promptly as possible. No serious complaints have been received from troops of failure to supply them promptly.

In making requisitions the policy to keep each province fully equipped was followed.

In all cases where an officer reported in his requisition a large number of unserviceable articles on hand he was required to explain the reason for not placing them before an inspector.

In no instance was a request for stores returned to an officer because it had not been made out on proper blanks or had not gone through all the channels.

When a requisition was received direct it was immediately remailed to the district commander for his approval.

The provisions of circular letter No. 28, of 1903, enabled all supply officers to turn in to the depot all unserviceable stores on exchange of proper invoices and receipts, and in many instances it resulted in turning in to the depot worn but serviceable stores, and on account of the limited facilities for making repairs the quantity of unserviceable and repairable property has taken up all available store room.

REPORT OF WORK DONE IN SHOPS OF THE ORDNANCE DIVISION.

The following lists of work do not include small jobs, which in the aggregate would certainly increase the amount one-third more.

Armory.—The armory is under an American foreman and it employs eight natives. The principal work is as follows:

Cleaned, repaired, reblued, and oiled: 465 Springfield carbines; 318 Colt's revolvers, single action, caliber .45; 16 Colt's revolvers, double action, caliber .45; 12 revolvers, various kinds, and 6 carbines.

Cleaned, repaired, and oiled: 537 Springfield carbines; 243 Colt's revolvers, double action, caliber .45; 683 Remington shotguns, and 2 Winchester repeating shotguns.

The most important improvement made in this shop is the installation of a bluing plant, for which this office is greatly indebted to Col. A. H. Russell, chief ordnance officer, Philippines Division, for his assistance.

During the past year the facilities for rebluing and repairs were entirely limited to hand work, but about four months ago a contract was let for certain machinery, and the following-named pieces are now being installed, which will greatly add to the quality and decrease the cost of work done: One large Norton emery grinder, one belt-strapping machine, one polishing machine, and one 6-horsepower kerosene engine.

The large foot-power lathe purchased for this division about two years ago will also be run by power.

Bids are now being received by the bureau of architecture for the building, for this division, of one large bluing furnace, which is of the same pattern as the one now used by the Manila ordnance depot.

Harness shop.—The harness shop is superintended by a native foreman and it employs three saddlers.

Owing to the severe climatic conditions of the islands on leather equipments, the work of this shop has been mostly confined to repairs.

All repairs on harness used by the quartermaster division has been made in this shop.

One thousand eight hundred and fifty belts, fair leather, for 12-gauge cartridges, have been converted into belts holding .45-caliber ammunition.

Of the saw-back pack saddles manufactured by this division about a year ago still remain in stock 30 to be completed. These were laid aside in order to give those sent out a thorough trial and fill immediate demand. The reports received from various provinces on their merits and demerits will now enable this division to make a pack saddle satisfactory in every respect.

STORES PURCHASED DURING THE YEAR.

The following is a list of the principal stores purchased:

Springfield carbines.....	1, 500
Web belts, caliber .45.....	3, 850
Canteens, United States Army.....	5, 000
Haversacks, United States Army.....	1, 000
Canteen and haversack straps.....	6, 000
Haversacks, made by contract in Manila.....	6, 000
Ball cartridges.....	450, 000
Brass shells, 12-gauge, for repeating shotguns.....	35, 000
Powder.....pounds.....	1, 000
Leather (1,115 pounds fair, 914 pounds black).....do.....	2, 029

MAINTENANCE OF ORDNANCE DIVISION.

The cost of this division during the past year has been as follows:

Purchase of ordnance stores and material.....	P71, 720. 00
Purchase of machinery as per contract.....	2, 492. 00
Building of one bluing furnace.....	1, 700. 00
Material used in armory.....	847. 49
Material used in harness shop.....	134. 00
Salary of force in armory.....	5, 504. 80
Salary of force in harness shop.....	1, 680. 00
Salary of office force.....	7, 720. 00
Total.....	91, 798. 79

In view of the severe climatic conditions of the islands on all leather equipments and arms, I recommend that a regular allowance of preservative and lubricating oil be established, same to be as follows for a period of six months: Six cans of fair-leather dressing for every 100 leather belts, holsters, and pouches; 3 cans of fair-leather dressing, 1 gallon of neat's-foot oil, and 3 pounds of castile soap for each set of horse equipments; 6 pounds of Cosmoline oil and 6 sheets of emery cloth for every 100 guns.

Before closing this report I desire to mention Mr. J. C. Winebrenner, armorer, who has had charge of the shops during the entire period. In addition to his duties as armorer, he has charge of the storerooms, receiving and packing of stores. He has shown a marked ability in these duties and his energy and efficiency have told in the improved condition of the storerooms and the arrangement of stores. His ability as armorer has been conspicuous throughout.

In addition to the work heretofore mentioned, this office is charged with the registration of all firearms in the archipelago, under Act 610, United States Philippine Commission. This work may be summarized as follows:

Permits issued by constabulary officers to carry firearms under the above-mentioned act since March 25, 1903, 1,799, as follows:

Abra.....	11	Masbate.....	22
Albay.....	142	Mindoro.....	6
Ambos Camarines.....	2	Misamis.....	14
Antique.....	7	Nueva Ecija.....	22
Bataan.....	17	Nueva Vizcaya.....	13
Batangas.....	81	Occidental Negros.....	80
Benguet.....	30	Oriental Negros.....	11
Bohol.....	68	Pampanga.....	90
Bulacan.....	61	Pangasinan.....	85
Cagayan.....	150	Paragua.....	3
Capiz.....	23	Rizal.....	13
Cavite.....	36	Romblon.....	7
Cebu.....	68	Samar.....	33
Davao.....	1	Sorsogon.....	54
Ilocos Norte.....	19	Surigao.....	2
Ilocos Sur.....	17	Tarlac.....	21
Iloilo.....	193	Tayabas.....	26
Isabela.....	4	Zambales.....	44
La Laguna.....	97	Zamboanga.....	5
La Union.....	37	Mindanao.....	5
Lepanto-Bontoc.....	11	Manila.....	36
Leyte.....	68		

Permits issued by provincial governors since the passage of the above act, 1,850, as follows:

Abra.....	3	Misamis.....	106
Ambos Camarines.....	98	Nueva Ecija.....	48
Antique.....	68	Nueva Vizcaya.....	36
Bataan.....	4	Occidental Negros.....	425
Bulacan.....	70	Oriental Negros.....	90
Capiz.....	135	Pangasinan.....	97
Cavite.....	45	Pampanga.....	25
Cebu.....	20	Paragua.....	12
Ilocos Norte.....	45	Rizal.....	8
Ilocos Sur.....	17	Romblon.....	38
Iloilo.....	176	Samar.....	36
Isabela.....	40	Surigao.....	46
Lepanto-Bontoc.....	7	Tayabas.....	34
Masbate.....	5	Tarlac.....	52
La Laguna.....	35	Zambales.....	58
Mindoro.....	1		

The constabulary hold to-day in actual use:

Springfield carbines.....	7,226
Colt's revolvers, double action, caliber .45.....	4,149
Remington shotguns.....	643
Remington rifles.....	879
Colt's revolvers, single action, caliber .45.....	1,582

The municipal police to-day hold:

Remington rifles.....	1,738
Remington shotguns.....	2,376
Colt's revolvers, single action, caliber .45.....	2,540

The following arms are in the hands of individuals to-day:

Rifles.....	979
Shotguns.....	1,365
Revolvers.....	3,461

There are to-day in the constabulary ordnance depot, Manila:

Springfield carbines.....	144
Remington shotguns.....	3,429
Remington rifles.....	1,372
Colt's revolvers, single action, caliber .45.....	1,512
Colt's revolvers, double action, caliber .45.....	980
Colt's revolvers, double action, caliber .41.....	600

There are, therefore, in the archipelago, exclusive of those held by American soldiers and scouts, 7,370 Springfield carbines; 6,448 Remington shotguns; 3,989 Remington rifles; 5,129 Colt's revolvers, double action, caliber .45; 5,634 Colt's revolvers, single action, caliber .45; 600 Colt's revolvers, double action, caliber .41; and other arms as follows: 979 rifles, 1,365 shotguns, and 3,461 revolvers.

This makes a total of 34,975 firearms of which record is kept at these headquarters.

Very respectfully,

JOHN R. SCHULTZ,

Captain, Philippines Constabulary, in Charge of Ordnance Division.

The CHIEF SUPPLY OFFICER, PHILIPPINES CONSTABULARY,

Manila, P. I.

HEADQUARTERS PHILIPPINES CONSTABULARY,
MEDICAL DIVISION,
Manila, July 14, 1904.

SIR: In compliance with your memorandum of July 12, 1904, I have the honor to submit the following:

June 30, 1903, the medical division, Philippines Constabulary, consisted of 3 captains and surgeons together with 7 lieutenants and 35 enlisted men detailed for duty with the division. Up to this period the assistant chief supply officer bought, and the quartermaster accounted for, all medicines and medical supplies. Act 807 provided for a fourth captain and surgeon. General Order, No. 66, current series 1903, created the medical division as a separate division,

consisting of 1 captain and surgeon, superintendent of the medical division and first district surgeon; 3 captains and surgeons, 10 lieutenants and medical inspectors, and 103 enlisted men. Act 1049 provided for its expenses as a separate division and fixed its personnel as given above until June 30, 1904.

June 30, 1903, the enlisted men were attached to the constabulary hospitals and Manila dispensary undergoing instruction in first aid to the wounded, nursing, dieting, etc. Since that time they have been sent to provinces for duty, and on June 30, 1904, were distributed as follows:

First district.—Tarlac, 5 (hospital detachment); Pangasinan, 2; Zambales, 2; Nueva Ecija, 2; Nueva Vizcaya, 2; Bataan, 2; Bulacan, 2; La Laguna, 2; Cavite, 1; Batangas, 1; Rizal, 1, and Manila garrison, 6—total, 28 men.

Second district.—Tayabas, 4 (hospital detachment); Sorsogon, 2; Romblon, 2; Mindoro, 2; Ambos Camarines, 2, and Albay, 5 (hospital detachment)—total, 17 men.

Third district.—Iloilo, 6 (hospital detachment); Antique, none; Capiz, none; Negros Occidental, none; Negros Oriental, none; Cebu, none; Leyte, 2; Samar, 2; Surigao, none, and Misamis, none—total, 11 men.

Fourth district.—Abra, 2; Ilocos Norte, 1; Ilocos Sur, 8 (hospital detachment); Cagayan, 2; Isabela, 4 (hospital detachment); Lepanto-Bontoc, 1, and La Union, 1—total, 19 men.

Exposition battalion.—St. Louis, 2 men.

It will be seen that in the first, second, and fourth districts there is in every province one or two hospital corps men who are capable of giving first aid to the wounded and treating many of the minor complaints of constabulary soldiers.

Statement of supplies bought and expended.

On hand June 30, 1903.....	P 5, 100. 20
Received during the fiscal year 1904.....	5, 396. 45
	10, 496. 65
Expended during fiscal year 1904.....	7, 731. 44
On hand June 30, 1904.....	2, 765. 21

The above supplies comprise all medical supplies, hospital stores, disinfectants, furniture and bedding, surgical instruments, dressings, etc., used by the medical division.

There are at present 7 hospitals and 2 wards located, with capacity as follows:

	Beds.
First district:	
Tarlac.....	20
Manila garrison (ward).....	10
Second district:	
Lucena.....	20
Albay.....	25
Nueva Caceres (ward).....	15
Third district:	
Jaro.....	40
Borongan, Samar.....	20
Fourth district:	
Vigan.....	30
Ilagan, Isabela.....	20

The fifth district has as yet no part of the medical division.

June 30, 1904, there were being established 5 hospitals and 1 ward, with an approximate bed capacity of 125 beds. During the fiscal year 1904 there were treated in constabulary hospitals 8 officers, 1,282 enlisted men, and 42 civilians—total, 1,332. Number of days lost in hospital: Officers, 58; enlisted men, 14,995; civilian employees, 456—total, 15,509. The treatment given in constabulary hospitals would have cost, if given by the military hospitals, P 11,556. Number of deaths in constabulary hospitals since June 30, 1903, 26. This, with the many cases treated in "quarters" and attended outside the hospitals throughout the provinces, comprises the work of the medical division.

The division is small and not at all adequate to the need of the constabulary, but the hospitals established have, it is believed, met the demands made upon them. The native soldier has proven quick to learn the duties required of him as hospital corps man. There has been but one instance brought to my attention where he has not exceeded all reasonable expectation in his efficiency. I wish especially to commend the work of the surgeons of the second and fourth districts, Capts. J. M. Wheate and T. C. Walker. The work is well organized in those districts and the efficiency and care of the district surgeons are felt in this office in all official communications with those districts.

The third district has not been so well managed in the medical division, except the work of the hospitals, which has been excellent.

The constabulary should unquestionably have a medical officer in every province, but as this would necessitate a great increase in the expense of the bureau it is, under the present circumstances, impracticable. Much has been said in official communications regarding the relations of the work in the provinces of the physicians of the board of health and the medical officers of the constabulary. This is a subject that deserves consideration. Except in those provinces where constabulary medical officers are stationed, the constabulary must depend upon the provincial doctors in all serious cases, and the services of these doctors have seldom been available, and when available, their refusal to use medicines that have been provided by the constabulary have often necessitated large expenditures for prescriptions. In fact this dependence for medical service has been almost wholly unreliable.

Legislation has been proposed authorizing the appointment of constabulary medical officers, where graduates in medicine, as presidents of provincial boards of health, and providing for the payment to them for this work \$45 per month, thus saving to the province from \$400 to \$1,000 per annum. I would respectfully urge the passage of this bill for three reasons: It is in the interests of economy; it will promote the efficiency of the medical division of constabulary by making it possible to secure competent physicians for medical inspectors, and it will improve sanitation in the provinces, and improve the work of the board of health in the provinces.

The number of officers and enlisted men treated in military hospitals can not be given at the present time, as this data must be obtained from records in the paymaster's office and he can not now furnish same.

Very respectfully,

W. P. BAKER,
*Captain and Surgeon, Philippines Constabulary,
Superintendent Medical Division.*

The CHIEF SUPPLY OFFICER, PHILIPPINES CONSTABULARY.

HEADQUARTERS PHILIPPINES CONSTABULARY,
OFFICE OF THE COMMISSARY,
Manila, P. I., July 15, 1904.

SIR: I have the honor to submit the following report covering the operations of this division during the fiscal year 1904:

The exact financial status can not be determined at the present writing as 9 provinces have as yet not been heard from. I have attempted to communicate with them by wire, but communications have been so interrupted during the past week that I have been unable to receive any reply. In addition to this the quarterly statement from the auditor has not been received.

The Manila depot shows the following transactions: Purchases, P637,147.89; transfers, P485,083.55; sales, P213,990.84.

The outstanding bills at the end of June amounted to P45,660.19. A rough estimate places the value of stores that have been damaged during the fiscal year at P30,000, while the cost of transportation approximates P40,000. Salaries and wages, including clerks and laborers, P26,000.

The financial statement submitted covering the operations including April 30, 1904, showed an indebtedness of this division of P104,862.65. A limited amount of purchasing was done during the last quarter, with an idea of cutting down this indebtedness. However, the amount due contractors at the end of June amounts to almost the entire purchases for the months of May and June; in other words, the contractors have not been paid for the goods delivered during these months, some of which have been disposed of.

I do not doubt but that we could obtain better prices if we had sufficient capital to meet all obligations promptly. As it is, contractors figure 1 or 2 per cent interest on their money to cover the delay in payment of their accounts.

To cover the present business of this division, additional capital is necessary. I have given this matter considerable thought, but can not see how I can bring about the success desired without at least P100,000 additional capital.

The need of additional clerical force has already been brought to your notice in my communication of recent date, and I understand it has already been submitted to the Commission; therefore, I will not remark further on that subject.

Attention is invited to the exhibits hereto attached, and marked A, B, and C.

Very respectfully,

ASA F. FISK,
Captain and Commissary.

The CHIEF SUPPLY OFFICER, PHILIPPINES CONSTABULARY,
Manila, P. I.

EXHIBIT A.

Statement of purchases, transfers, and sales made by the civil supply store, Manila branch, during the fiscal year 1904.

Month.	Purchases.	Transfers.	Sales.
1903.			
July.....	P1,553.19	P16,722.12	P26,751.46
August.....	41,492.32	36,346.42	6,112.86
September.....	65,614.28	55,494.13	4,695.18
October.....	52,213.30	36,752.89	5,758.83
November.....	101,842.36	47,035.27	7,772.84
December.....	69,000.19	74,318.15	12,727.10
1904.			
January.....	92,032.24	38,449.67	41,308.02
February.....	66,333.16	33,300.30	22,446.88
March.....	70,584.55	53,298.59	20,321.96
April.....	23,872.43	33,434.90	20,053.80
May.....	20,908.92	35,327.49	22,428.62
June.....	31,700.95	24,603.53	23,613.29
Total.....	637,147.89	485,083.55	213,990.84

EXHIBIT B.

Statement showing operations of the Manila branch of the civil supply store during the fiscal year 1904.

Value of inventory, July 1, 1903:		
Good.....	P203,606.20	
Damaged.....	6,937.27	
Purchased during year.....	637,147.89	
Purchased during year at Cebu.....	1,340.65	
Returned to Manila from provinces.....	1,818.68	
Damaged flour sold at auction.....	1,710.00	
Ten per cent added to purchase prices.....	87,981.82	
		P940,542.51
Value of stores transferred to substations.....	485,083.55	
Sales.....	213,990.84	
Stores condemned.....	7,409.30	
Value of inventory, June 30, 1904:		
Good.....	232,332.09	
Damaged.....	1,726.73	
		940,542.51

EXHIBIT C.

CIVIL SUPPLY STORE.

Financial statement, March 30, 1904.

ASSETS.

Inventory of stock, Manila.....	P280,477.08	
Cash, Manila.....	23,385.96	
Inventory of stock, provinces.....	188,718.78	
Cash, provinces.....	51,330.69	
Insular treasurer.....	23,741.75	
Paymaster, Philippines Constabulary.....	7,779.92	
Captain Harpold.....	2,306.93	
Captain Campbell.....	4,104.65	
Exposition battalion.....	3,526.42	
Divers officers.....	6,750.17	
Defaulting officers' accounts.....	29,106.35	
		P621,228.70

LIABILITIES.

Civil government.....	465,162.44	
Contractors.....	104,822.65	
		569,985.09
Net worth.....		51,243.61

Business statement, period January 1 to March 30, 1904.

Inventory of stock, Manila.....	P 280,477.08	
Merchandise, ledger account.....	257,273.99	
		P 23,203.09
Inventory of stock, provinces.....	188,718.78	
Provinces merchandise ledger account	179,199.94	
		9,518.84
Loss and gain account.....		351.09
		33,073.02
Expense account, transportation.....		11,750.69
Net gain during period.....		21,322.33

HEADQUARTERS PHILIPPINES CONSTABULARY,
OFFICE OF THE PAYMASTER,
Manila, P. I., July 18, 1904.

SIR: I have the honor to hand you herewith a tabulated statement showing the total disbursements and transfers, by months, made by this division during the fiscal year 1904. This statement shows as nearly as possible the cost of maintaining the constabulary during that period; however, as there are still many outstanding obligations, a complete statement of the cost can not at this time be given. It is hoped that by September 1 all such obligations will have been settled.

Until the beginning of the fiscal year just closed, no attempt appears to have been made to keep an intelligent record of the cost of any particular item for which funds were appropriated; no comparative statement, therefore, can be submitted. With the items and divided subheads of appropriations sifted down to a settled basis, it is the aim of this division to be able to state the monthly or yearly cost of each such item; it will then be possible to show, by comparison, where expenses can be most advantageously reduced. In order, however, that a thoroughly reliable and accurate statement can be made, it will be necessary to have the hearty cooperation of all the supply officers; with this in view a circular is now being drafted, which will shortly be submitted for your consideration, in which a monthly report showing the amount disbursed under divided subheads to be rendered by each supply officer is contemplated.

Under the total disbursements shown on the accompanying statement are included P 2,488.60 paid for the treatment of our officers and enlisted men in military hospitals; P 7,593.94 for transportation of funds, quartermaster and ordnance supplies (this, of course, does not include the amounts disbursed by supply officers); P 3,061.49 for transportation of telegraph and telephone supplies, and P 5,007.27 for transportation of commissaries. It is reasonable to suppose that much saving has been made in the last three items during the last fiscal year, owing to the constant use of the coast-guard vessels. With a total of 3,274 paid vouchers, 555 transfers of funds, 2,891 communications received and 3,762 sent; with P 1,217.94 collected under the special funds provided in section 14 of Act 619, as well as the 10 per cent deduction from the monthly salaries of the sixty-odd employees appointed in the United States under the provisions of Act 643, the clerical work has been heavy and at times trying. Too much praise can not be bestowed upon Lieutenant Thomas, Mr. Headington, and Mr. Robinson, whose untiring efforts and comprehensive knowledge of their duties made these results possible.

Very respectfully,

A. J. ROBERTSON,
Captain and Paymaster, Philippines Constabulary.

THE CHIEF SUPPLY OFFICER, PHILIPPINES CONSTABULARY,
Manila, P. I.

HEADQUARTERS PHILIPPINES CONSTABULARY,
OFFICE OF THE QUARTERMASTER,
Manila, P. I., July 14, 1904.

SIR: I have the honor to submit the following report of the work of this division for the fiscal year ending June 30, 1904:

July 1, 1903, found the quartermaster's division with Captain Ross, assistant chief supply officer, holding the position of quartermaster in addition to the duties of his other office and unable to give the work of the division the attention necessary to institute any reforms, or in fact to do much else other than sign the papers. This officer recognized the loose

methods in vogue in the transaction of the business of the division, but by reason of having to fill two positions, either of which was enough for one officer, was unable to give this division much personal attention.

The present incumbent relieved Captain Ross as quartermaster August 1, and immediately set about familiarizing himself with the methods then extant. No changes were made for about a month, the quartermaster desiring to learn all of the good and bad features of the office in order that any changes that might be made would be in the right direction. To accomplish this the quartermaster took personal charge of the office and assumed all the duties that naturally fall to a chief clerk. In no other way could the quartermaster have obtained the results desired, for no one can presume to criticise a system or re-systematize any business, public or private, without first being able to do the work of each individual clerk in the establishment, or at least know just what is required of all clerks. There are many desired changes that have not yet been consummated, but as a whole the efforts put forth during the past year have been fruitful of good results.

It was found that the records of the office were kept in such manner that very little information could be had from them without a long search in each case, as the several kinds of work which had very close relations in the actual accomplishment had no connection in the records. This has nearly all been rectified to such an extent that now all such matters are not only well connected in the quartermaster's office, but all transportation settlements made by the paymaster are so connected in the records of the quartermaster that he can tell just where the voucher is filed in the records of the paymaster's office. It is hoped that shortly we can find time to institute a better system of record that will give us the same connection with the records of the chief supply officer's office with regard to requisitions on the insular purchasing agent, contracts, and a few kindred transactions.

One of the first observations of the present quartermaster was that too much money was being paid out for commercial transportation, but that was something unavoidable under the system in force prior to August 1, during the incumbency of two former quartermasters, the first of whom would not stay in his office and attend to same personally and the second who unavoidably had more than one position to fill.

As soon as this became apparent to the undersigned he transferred Lieutenant Snodgrass from office work and gave him full charge of all coast-guard shipments, which arrangement resulted in a great saving in freight charges. Besides this all commissaries carried via coast-guard vessels have been transferred in cascos direct from the bodega to the ship's side at a great deal less expense than it formerly cost to truck the same to commercial vessels.

The following is a statement of the freight handled during the fiscal year:

	Pounds.
Via deep-sea commercial boats.....	1, 553, 430
Via commercial launches to Bataan, Cavite, Rizal, and Laguna provinces.....	337, 045
Via railroad.....	1, 679, 697
Via coast-guard cutters and launches and constabulary launch <i>Lt. Naddo</i>	4, 149, 313
Total.....	7, 719, 485

This is an aggregate of more than 3,859 tons.

There were 2,350 shipments made during the fiscal year, which is an average of more than 7 for each working day.

Included in the above shipments were funds to the aggregate of ₱1,602,142.64.

It will be seen that more than half of the freight handled was shipped via government vessels, and of the remainder less than half was handled via deep-sea commercial boats, the greater part of that not handled by government boats being shipped by the railroad or via commercial launches to points that could not be reached by any of the coast-guard fleet. The above comprises all shipments made by the quartermaster for the pay, telegraph, ordnance, medical, commissary, and quartermaster division during this period, but does not include the many shipments of freight received in Manila from the supply officers in the provinces. There have been some few shortages and stray packages reported, mostly commissaries, but nearly all have been cleared up readily. The greater part of the freight carried by commercial boats was iron telegraph poles, which the coast-guard fleet could not handle.

The undersigned desires to express his great appreciation of the courtesy and cooperation accorded the constabulary by the chief of the bureau of coast guard and transportation and his many subordinate officers, and to request that due credit be given that bureau for the great assistance which it has been to the quartermaster of constabulary in making this economical showing possible. It is impossible to state anywhere near the amount of money that bureau has saved the constabulary in passenger fares alone between their many ports of call, but it is safe to say "several thousands of dollars."

It is with regret that the undersigned must state that there have been a number of complaints from officers of the constabulary regarding the coast-guard service, and this regret is made more keen because nearly all of the complaints have been found to be the result of our own officers' noncompliance with coast-guard rules, even after the same have been made plain to all in many ways.

Prior to August 1, and before this bureau began to use coast-guard vessels to such a great extent, the shipments made were largely in commercial vessels, which necessitated very heavy trucking across the city of Manila, and it was necessary that a large proportion of this trucking be hired, as the bureau had but four escort wagons and was unable to handle it all itself. The change to coast-guard vessels made it possible for the bureau to do all of its own trucking for the balance of the year, except upon the occasion of our removal from Calle Cabildo to Paco. During the months of December, January, and February this was a very hard task, for on December 1 the insular purchasing agent ceased to supply public institutions with commissaries and the civil supply store (constabulary commissary) began to supply them, making it necessary that the quartermaster division make the deliveries.

This additional call upon the land transportation of the quartermaster became more than he could handle, and since the close of the period mentioned the heavy transportation has been increased from four wagons to six wagons and two trucks.

With the transportation now in use this division is able to handle all of the work placed upon it, and it is thought that no increase need be thought of during the present fiscal year.

Of the increase in transportation cited above, the two trucks were added by purchase, but the two escort wagons were transferred from the provinces and rebuilt by the employees of this division, as was also the wagon furnished the Manila garrison.

Another large item of expense was found to be the hire of cascos for the handling of freight to coast-guard boats in the bay. That has now been all done away with and the cost reduced to the minimum by handling everything by our own lighter and cargo boats which have been purchased during the year.

Besides the means of transportation purchased for the use of the quartermaster here in Manila, we have also received 50 aparejos for the pack train, about 30 of which have been in use on the Benguet trail and have done good service.

Twelve light spring wagons, 14 carratelas, and 13 carratones have been purchased for the provinces.

Six combination passenger and freight wagons, known as excursion wagons, have been purchased for the provinces, four of which are as yet undelivered by the contractors.

We have also furnished the provinces with six cargo and one sailing boat from this depot during the year.

In addition to the above there have been many vehicles and boats purchased by the several district supply officers, the number of which is not known in this office. As a whole there has been a very extensive increase in means of transportation throughout the islands.

Regarding animals the undersigned can not tell how many have been purchased, as all except four American draft animals have been taken by Lieutenant Dean.

The register which the undersigned has caused to be prepared for the information of this depot now shows the constabulary to possess, in the entire archipelago, means of transportation as follows: Two excursion wagons, 25 carromattas, 29 carratelas, 13 escort wagons, 2 ambulances, 13 light spring wagons, 2 trucks, 3 quilez, 1 double-seated trap, 1 calesin, 32 carretones, 2 dump carts, 34 small boats of all kinds, 1 gasoline launch, and 1 forty-ton lighter.

There has been a general complaint from officers in the provinces regarding the stationery allowance, and although the undersigned has sent more than the allowance to most provinces during the last six months the complaints continue to come in. It is therefore recommended that the allowance of rubber bands, pens, envelopes, and paper be at least double; that the ink allowance be reduced, and that the allowance of penholders be done away with. The ink allowance is a great deal too large, and penholders should be asked for by the supply officer only in quantities actually needed.

The following is a statement of clothing handled by this depot during the year:

	On hand June 30, 1903.	Received since June 30, 1903.	On hand June 30, 1904.
Blankets, Philippine Constabulary.....	1,453	9,548	1,736
Buckles, trouser.....	6,392		6,392
Buttons, trouser.....	8,424		8,425
Brassards, red cross.....		210	189
Buttons:			
Small, municipal police.....	48		48
Large, Philippines Constabulary.....		78,300	37,622
Small, Philippines Constabulary.....		133,200	18,107

	On hand June 30, 1903.	Received since June 30, 1903.	On hand June 30, 1904.
Chevrons:			
First sergeant		1,000	31
Sergeant	1	400	347
Corporal	144	850	187
Farriers	6		6
First-class private	498	3,054	2,291
Cap frames	108	192	192
Cap cords	451	2,399	924
Cap covers	303	5,520	3,450
Cap covers, cañomo		865	491
Cap ornaments	1,846	14,600	7,392
Capes and hoods, rubber	2,497	6,424	4,293
Cloth:			
Khaki (yards)	144,684		229
Cañomo		2,025	2,025
Hats, (khaki)		29,350	13,168
Laces, shoe	5,800		5,800
Ponchos	47		47
Shoes:			
Tan (leather)	73	15,200	4,940
Canvas (khaki)	4,630	5,286	523
Hemp soled		15,195	5,011
Uniform coats (khaki)	1,647	18,149	1,009
Uniform trousers (khaki)	1,647	14,482	1,120
Shirts, (khaki)		500	225
Shoulder knots		21,600	5,301
Caps, (khaki)		10,375	
Coats, cañomo		617	565
Trousers, cañomo		580	580
Drawers:			
Cotton		24,641	8,247
Woolen		650	
Stockings (pairs)		19,728	1
Undershirts:			
Woolen		650	
Cotton		23,774	
Leggings (pairs)		14,345	
Crosses, white metal		210	178
Shirts, double-breasted flannel		11,396	1,093

Very respectfully,

CLAUDE D. LOVEJOY,
Captain and Quartermaster Philippines Constabulary.

The CHIEF SUPPLY OFFICER, PHILIPPINES CONSTABULARY.
Manila, P. I.

STATION AND STRENGTH LIST PHILIPPINES CONSTABULARY, JUNE 15, 1904.

FIRST DISTRICT.

Headquarters.—Col. W. S. Scott, first assistant chief, Philippines Constabulary, commanding; First Lieut. J. Benton Clausen, sr., adjutant; Second Lieut. Thomas Leonard, district supply officer.

BATAAN PROVINCE (225).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Balanga	2	43	Second Lieut. J. Clark, supply officer; Second Lieut. C. E. Heartt.
Bagac	1	29	Third Lieut. R. Leisan.
Dinalupija		15	
Orani	1	15	Subinspector V. Santos.
Special duty, telegraph division		6	
Total	4	108	

Attached: Two enlisted men, Marine Corps; 2 civilian linemen, telegraph division; 1 lineman, telegraph division.

Station and strength list Philippines constabulary, June 15, 1904—Continued.

FIRST DISTRICT—Continued.

BATANGAS PROVINCE (225).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Batangas.....	4	54	Capt. E. W. Griffith, senior inspector; Second Lieut. L. E. McMurry, supply officer; Third Lieut. C. V. McCoy; Third Lieut. A. E. Brown.
Calaca.....	1	28	Subinspector H. Concepción.
Lipa.....	1	29	Third Lieut. A. S. Ashe.
Tanauan.....	2	44	Third Lieut. L. Ramos, Third Lieut. L. Babiera.
Tayasan.....	1	24	Second Lieut. M. Castillo.
Tuy.....		25	
Special duty, telegraph division.....		6	
Confined in hands of civil authorities.....		3	
Total.....	9	213	

Attached: One civilian lineman.

BULACAN PROVINCE (225).

Malolos.....	3	104	Capt. W. W. Warren, senior inspector; Second Lieut. W. H. Shutan, supply officer; Third Lieut. J. de los Reyes.
San Miguel.....	1	28	Subinspector M. Orlino.
Angat.....	1	18	Subinspector A. Cueto.
Meycauayan.....	1	42	Second Lieut. L. H. McAdow.
Detached service in Nueva Ecija.....		23	
Total.....	6	215	

Attached: Two enlisted men, medical division; 1 civilian operator; 1 civilian lineman.

CAVITE PROVINCE (300).

Cavite.....	5	62	Capt. P. Bruin, senior inspector; Third Lieut. I. A. Opperman, Third Lieut. M. Flaherty, Subinspector L. Santos, Sub- inspector F. Rojas.
Magallanes.....	1	47	Subinspector J. Estrella.
Amadeo.....	1	35	Third Lieut. J. Velasquez.
Alfonso.....	1	45	Third Lieut. W. Greyson.
Mambag.....	1	22	Third Lieut. A. Bonson.
Quintana.....	1	36	Third Lieut. J. Lopez.
S. F. de Malabon.....		38	
Special duty, telegraph division.....		8	
Special duty, medical division.....		1	
Sick in hospital, Nale.....	1		Third Lieut. L. T. Boher.
Total.....	11	295	

Attached: Infantry division, 2 officers (First Lieut. R. Crame, Second Lieut. A. Ramos) and 1 civilian lineman, telegraph division.

LAGUNA PROVINCE (162).

Santa Cruz.....	3	45	Capt. H. A. Hutchings, senior inspector; Second Lieut. W. M. Franklin, Second Lieut. F. A. Sims.
Siniloan.....	1	15	Subinspector L. Real.
Nagcarlang.....	1	25	Third Lieut. S. E. Greenwell.
Bay.....	1	25	Third Lieut. A. Roxas.
Riga, Calamba.....	1	30	Third Lieut. M. Flores.
Special duty, telegraph division.....		2	
Confined in hands of civil authorities.....		3	
Total.....	7	145	

*Station and strength list Philippines constabulary, June 15, 1904—Continued.***FIRST DISTRICT—Continued.****NUEVA ECIJA PROVINCE (220).**

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
San Isidro.....	3	84	Capt. R. B. Cavanagh, senior inspector; Third Lieut. G. H. Imboden, Second Lieut. W. H. Hull.
San José.....	2	59	First Lieut. P. A. Hill. Subinspector A. Buencamino.
Talavera.....	1	52	First Lieut. W. C. Boyer.
Bongabong.....		23	
Carranglan.....		15	
Sick in military hospital.....		1	
On duty in province.....	6	233	
Detached service from Bulacan.....		23	
Total.....	6	210	

Attached: One civilian lineman.

NUEVA VIZCAYA PROVINCE (200).

Bayombong.....	3	94	Capt. W. Thompson, senior inspector; Third Lieut. W. Friedlander, subin- specter M. Cavestany.
Payaisan.....	1	20	Subinspector H. L. Logan.
Qulangan.....	1	32	First Lieut. C. J. Bates.
Banaue.....	1	40	Second Lieut. L. E. Case.
Detached service San Nicolas road.....		12	
Total.....	6	198	

Attached: One telegraph inspector (Donnelly).

PAMPANGA PROVINCE.

Bacolor.....	3	90	Maj. T. I. Mair, senior inspector; Third Lieut. José Kerr, Third Lieut. L. E. Jackson.
Arayat.....	1	21	First Lieut. H. J. Browne.
San Fernando.....	1	4	Second Lieut. M. Olsen, supply officer.
Candaba.....	1	30	Subinspector A. Vergara.
Mabalacat.....	1	23	Subinspector C. Canda.
Total.....	7	158	

Attached: One inspector, telegraph division; and 2 civilian linemen.

PANAGASINAN PROVINCE (258).

Dagupan.....	3	100	Capt. J. F. W. Rickards, Third Lieut. H. F. Alexander, Second Lieut. J. Thor- nell.
Lingayen.....	1	35	Third Lieut. R. Monserrat.
Rosales.....	1	30	Third Lieut. B. McElhannon.
Tayug.....	1	38	Second Lieut. D. F. M. Gunnison.
Twin Peaks.....	1	41	Subinspector H. Belarnino.
Special duty, telegraph division.....		12	
Sick in quarters.....		1	
Total.....	7	257	

Detached service: From medical division, Tarlac, 1 enlisted man; from Union Province, 3 enlisted men.

Attached: One telegraph inspector and 4 operators.

Station and strength list Philippines constabulary, June 15, 1904—Continued.

FIRST DISTRICT—Continued.

BATANGAS PROVINCE (225).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Batangas.....	4	54	Capt. E. W. Griffith, senior inspector; Second Lieut. L. E. McMurry, supply officer, Third Lieut. C. V. McCoy; Third Lieut. A. E. Brown.
Calaca.....	1	28	Subinspector H. Concepción.
Lipa.....	1	29	Third Lieut. A. S. Ashe.
Tanauan.....	2	44	Third Lieut. L. Ramos, Third Lieut. L. Babiera.
Tayasan.....	1	24	Second Lieut. M. Castillo.
Tuy.....		25	
Special duty, telegraph division.....		6	
Confined in hands of civil authorities.....		3	
Total.....	9	213	

Attached: One civilian lineman.

BULACAN PROVINCE (225).

Malolos.....	3	104	Capt. W. W. Warren, senior inspector; Second Lieut. W. H. Shutan, supply officer; Third Lieut. J. de los Reyes.
San Miguel.....	1	28	Subinspector M. Orlino.
Angat.....	1	18	Subinspector A. Cueto.
Meycauayan.....	1	42	Second Lieut. L. H. McAdow.
Detached service in Nueva Ecija.....		23	
Total.....	6	215	

Attached: Two enlisted men, medical division; 1 civilian operator; 1 civilian lineman.

CAVITE PROVINCE (300).

Cavite.....	5	62	Capt. P. Bruin, senior inspector; Third Lieut. I. A. Opperman, Third Lieut. M. Flaherty, Subinspector L. Santos, Sub- inspector F. Rojas.
Macallanes.....	1	47	Subinspector J. Estrella.
Amadeo.....	1	35	Third Lieut. J. Velasquez.
Alfonso.....	1	45	Third Lieut. W. Greyson.
Mambug.....	1	22	Third Lieut. A. Bonson.
Quintana.....	1	36	Third Lieut. J. Lopex.
S. F. de Malabon.....		38	
Special duty, telegraph division.....		8	
Special duty, medical division.....		1	
Sick in hospital, Naic.....	1		Third Lieut. L. T. Boher.
Total.....	11	295	

Attached: Infantry division, 2 officers (First Lieut. R. Crame, Second Lieut. A. Ramos) and 1 civilian lineman, telegraph division.

LAGUNA PROVINCE (162).

Santa Cruz.....	3	45	Capt. H. A. Hutchings, senior inspector; Second Lieut. W. M. Franklin, Second Lieut. F. A. Sims.
Siniloan.....	1	15	Subinspector L. Real.
Nagcarlang.....	1	25	Third Lieut. S. E. Greenwell.
Bay.....	1	25	Third Lieut. A. Roxas.
Biga, Calamba.....	1	30	Third Lieut. M. Flores.
Special duty, telegraph division.....		2	
Confined in hands of civil authorities.....		3	
Total.....	7	145	

Station and strength list Philippines constabulary, June 15, 1904—Continued.

FIRST DISTRICT—Continued.

NUEVA ECIJA PROVINCE (220).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
San Isidro.....	3	84	Capt. R. B. Cavanagh, senior inspector; Third Lieut. G. H. Imboden, second Lieut. W. H. Hull.
San José.....	2	59	First Lieut. P. A. Hill Subinspector A. Buencamino.
Talavera.....	1	52	First Lieut. W. C. Boyer.
Bongabong.....		23	
Catranglan.....		15	
Sick in military hospital.....		1	
On duty in province.....	6	233	
Detached service from Bulacan.....		23	
Total.....	6	210	

Attached: One civilian lineman.

NUEVA VIZCAYA PROVINCE (200).

Bayombong.....	3	94	Capt. W. Thompson, senior inspector; Third Lieut. W. Friedlander, subin- specter M. Cavestany.
Payaisan.....	1	20	Subinspector H. L. Logan.
Quiangan.....	1	32	First Lieut. C. J. Bates.
Banate.....	1	40	Second Lieut. L. E. Case.
Detached service San Nicolas road.....		12	
Total.....	6	198	

Attached: One telegraph inspector (Donnelly).

PAMPANGA PROVINCE.

Bacolor.....	3	90	Maj. T. I. Mair, senior inspector; Third Lieut. José Kerr, Third Lieut. L. E. Jackson.
Arayat.....	1	21	First Lieut. H. J. Browne.
San Fernando.....	1	4	Second Lieut. M. Olsen, supply officer.
Candaba.....	1	30	Subinspector A. Vergara.
Mabalacat.....	1	23	Subinspector C. Canda.
Total.....	7	138	

Attached: One inspector, telegraph division, and 2 civilian linemen.

PANAGASINAN PROVINCE (258).

Dagupan.....	3	100	Capt. J. F. W. Rickards, Third Lieut. H. F. Alexander, Second Lieut. J. Thor- nell.
Lingayen.....	1	35	Third Lieut. R. Monserrat.
Rosales.....	1	30	Third Lieut. B. McElbannon.
Tayug.....	1	38	Second Lieut. D. F. M. Gunnison.
Twin Peaks.....	1	41	Subinspector H. Belarmino.
Special duty, telegraph division.....		12	
Sick in quarters.....		1	
Total.....	7	257	

Detached service: From medical division, Tarlac, 1 enlisted man; from Union Province, 3 enlisted men.

Attached: One telegraph inspector and 4 operators.

Station and strength list Philippines constabulary, June 15, 1904—Continued.

FIRST DISTRICT—Continued.

RIZAL PROVINCE (250).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Pasig.....	3	91	First Lieut. F. S. De Witt, senior inspector; Third Lieut. A. F. Perry, Third Lieut. Hans. Marcus.
Malabon.....	1	45	First Lieut. W. Schermerhorn.
Parañaque.....	1	30	Third Lieut. C. B. Lehmer.
Bosoboso.....	2	40	Second Lieut. P. Guevara, Third Lieut. J. Dominguez.
San Juan del Monte.....		15	
Subi, Talim Island.....		6	
Absent with leave.....	1		First Lieut. W. F. Gwynne.
Total.....	8	227	

Attached: Medical division, 1 enlisted man.

TARLAC PROVINCE (140).

Tarlac.....	3	114	Capt. J. W. Wakeley, senior inspector; Third Lieut. D. K. Cameron, Third Lieut. C. C. Baill.
Bamban.....	1	20	Subinspector R. M. Llorente.
Total.....	4	134	

Attache: Hospital at Tarlac, 1 officer (Third Lieut. V. H. Taylor) and 6 enlisted men; telegraph division 1 civilian lineman.

ZAMBALES PROVINCE (200).

Iba.....	3	32	Capt. C. C. Smith, Third Lieut. H. S. Breszee, Third Lieut. F. J. Baunm.
Alaminos.....		16	
Bolinao.....	1	25	Subinspector A. Ordino.
Subig.....	2	34	Second Lieut. W. S. North, Subinspector B. Bayan.
Santa Cruz.....		22	
Special duty, telegraph division, linemen.		13	
Total.....	6	192	

Attached: Telegraph division, 1 officer (First Lieut. Inspector Hill) and 7 operators and linemen.

SUMMARY.

Province.	Officers.	Enlisted men.	Province.	Officers.	Enlisted men.
District headquarters.....	3		Pampanga.....	7	158
Bataan.....	4	108	Pangasinan.....	7	257
Batangas.....	9	213	Rizal.....	8	227
Bulacan.....	6	215	Tarlac.....	4	134
Cavite.....	11	295	Zambales.....	6	192
Laguna.....	7	145			
Nueva Ecija.....	6	210	Total.....	84	2,352
Nueva Vizcaya.....	6	198			

*Station and strength list of Philippines constabulary, June 15, 1904—Continued.***SECOND DISTRICT.**

Headquarters.—Col. H. H. Bandholtz, commanding; First Lieut. C. D. Boone, district adjutant; Capt. J. M. Wheate, district surgeon; Second Lieut. C. C. Foote, district supply officer.

ALBAY PROVINCE (200).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Albay.....	3	56	Capt. J. W. Swann, senior inspector. Third Lieut. M. H. Burnham, supply officer; Sub-inspector E. Bactac.
Jovellar.....		11	
Guinobatan.....	1	24	Second Lieut. F. D. Scott.
Libon.....	2	26	Second Lieut. J. D. Ward; Third Lieut. J. T. Kellogg.
Oas.....	1	25	Second Lieut. J. B. Carothers.
Tiut.....	1	25	Second Lieut. L. Kellermeyer.
Sick in hospital.....		9	
Special duty, medical division.....		1	
Special duty, telegraph division.....		1	
Total.....	8	178	

Attached: Medical division, 1 officer (Second Lieut. W. L. Brown, medical officer).

CAMARINES PROVINCE (160).

Nueva Caceres.....	4	62	Capt. R. H. Griffiths, senior inspector; First Lieut. J. B. Schuetz, Second Lieut. W. T. Butler, supply officer.
Tigaon.....	1	16	Second Lieut. J. M. McCloud.
Buhí.....		28	
Bato.....	1	20	Third Lieut. W. Neill.
Detached service in Cebu.....	1		First Lieut. R. M. Poggi.
Total.....	7	126	

Attached: Sorsogon, 1 officer (Second Lieut. J. Fawcett); medical division, 1 officer (Second Lieut. L. F. Raymond, medical officer).

MASBATE PROVINCE (130).

Masbate.....	2	61	Capt. Z. F. Cellett, Third Lieut. C. E. Lucas, supply officer.
Catalangan.....		20	
Detached service, Manila.....		1	
Special duty, telegraph division.....		2	
Total.....	2	84	

MINDORO PROVINCE (130).

Calapan.....	2	66	Capt. H. O. Fletcher, senior inspector; Third Lieut. L. A. Dowdell, supply officer.
Naujan.....	1	24	Second Lieut. H. Cilsbeuser.
Puerto Galera.....	1	11	Subinspector A. Garong.
Sablayan.....	1	24	Third Lieut. C. E. Schwebel.
On leave.....	1		Third Lieut. C. Basa.
Total.....	6	125	

ROMBLON PROVINCE (100).

Romblon.....	2	76	First Lieut. C. E. Manson, senior inspector; Third Lieut. A. F. Horne, supply officer.
Sick, Lucena.....		1	
Detached service, Manila.....		1	
Total.....	2	78	

Station and strength list of Philippines constabulary, June 15, 1904—Continued.

SECOND DISTRICT—Continued.

SORSOGON PROVINCE (162).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Sorsogon.....	2	70	Capt. O. Marshall, senior inspector; First Lieut. J. F. Quinn, supply officer.
Bulan.....	1	10	Third Lieut. C. B. Hollingsworth.
Bulusan.....	1	19	Third Lieut. R. O. Mann.
Putiao.....	1	19	First Lieut. H. E. Wright.
Detached service, Camarines.....	1	.....	Second Lieut. J. Fawcett.
Total.....	6	118	

Attached: Telegraph division, 1 officer (Third Lieut. C. Welborn).

TAYABAS PROVINCE (380).

Lucena.....	4	53	Capt. G. K. Armstrong, supply officer; First Lieut. E. B. Keesey; Second Lieut. E. Schroeder; Subinspector L. Puno.
Boac.....	1	57	First Lieut. H. Coleman.
Catanauan.....	1	26	Second Lieut. E. C. Stelton.
Luchan.....	1	26	First Lieut. E. R. Hearn.
Laguimanoc.....	1	16	Subinspector R. Castro
Malibuy.....	.....	11	
Pitogo.....	1	14	Capt. A. O. Sorensen.
Peris.....	1	21	Subinspector Campos.
Tayabas.....	1	15	Third Lieut. G. R. Duval.
Unisan.....	.....	16	
Mulanay.....	.....	10	
On leave.....	1	.....
Detached service, Ilocos Norte.....	1	.....	Maj. J. B. Murphy, senior inspector. First Lieut. J. C. Buttner.
Total.....	13	265	

Attached: Medical division, 1 officer and 3 enlisted men (Third Lieut. J. H. Bass, medical officer).

SUMMARY.

	Officers.	Enlisted men.		Officers.	Enlisted men.
District headquarters.....	4	.....	Romblon.....	2	78
Albay.....	8	178	Sorsogon.....	6	118
Camarines.....	7	126	Tayabas.....	3	265
Masbate.....	2	84			
Mindoro.....	6	125	Total.....	38	974

THIRD DISTRICT.

Headquarters.—Col. W. C. Taylor, assistant chief, commanding; Second Lieut. E. Walter, district adjutant; Capt. R. Vandam, district surgeon; Capt. T. A. Campbell, district supply officer (absent on leave); Second Lieut. R. F. Adams; Third Lieut. W. C. Williams.

ANTIQUE PROVINCE (130).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
San Jose.....	1	43	First Lieut. H. L. Beazley, supply officer
San Remigio.....	.....	14	
Bugason.....	.....	18	
Valderrama.....	.....	15	
Pandan.....	1	25	Subinspector V. Salvador.
Absent on leave, Iloilo.....	1	.....	First Lieut. G. E. Barry, senior inspector.
Special duty, telegraph division.....	.....	6	
Detached service, school, Iloilo.....	.....	4	
Total.....	3	125	

Detached service: From Iloilo, 1 officer (Second Lieut. A. G. Barber); from headquarters third district, 1 officer (Third Lieut. W. C. Williams).

Attached: Telegraph division, 1 officer (Second-class Inspector H. A. Brown).

Station and strength list of Philippines constabulary, June 15, 1904—Continued.

THIRD DISTRICT—Continued.

BOHOL PROVINCE (100).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Tagbilaran.....	2	66	Capt. J. W. Green, senior inspector; Second Lieut. W. S. Tabberrah, supply officer.
Absent sick, Iloilo.....		2	
Total.....	2	68	

CAPIZ PROVINCE (162).

Capiz.....	3	48	Capt. L. E. Boren, senior inspector; Third Lieut. F. W. Cannaday, supply officer; Third Lieut. R. P. Yates. Third Lieut. J. J. Guild.
Calivo.....	1	20	
Rosario.....		10	
Ibajay.....		10	Subinspector P. Panag.
Dao.....	1	20	
Tapaz.....		10	
Pontevedra.....		20	
Gula.....		10	
Detached service, hospital, Iloilo, for instruction.		2	
Detached service, Iloilo school of instruction.		4	
Confined in hands of civil authorities.		1	
Special duty, telegraph division, Philippine Constabulary.		1	
Total.....	5	156	

CEBU PROVINCE (162).

Cebu.....	2	100	First Lieut. S. M. Hibbard; Third Lieut F. A. Crooks. Second Lieut. M. Luga.
Naga.....	1	20	
Carcar.....		1	
Balamban.....		16	Third Lieut. F. Javier.
Tuburan.....		1	
Bogo.....	1	11	
Danao.....		11	
Barili.....		11	
Special duty, escort for provincial officials.		3	Capt. H. P. Nevill, senior inspector; First Lieut. A. E. Culver, supply officer.
In the field and pay trip.....	2		
Absent without leave.....		1	
Absent sick, Iloilo.....		1	
Detached service, Iloilo.....		1	
Total.....	6	180	

Detached service: From Negros Oriental, 1 officer (First Lieut. J. S. Mohler) and 10 enlisted men.

Station and strength list of Philippines constabulary, June 15, 1904—Continued.

THIRD DISTRICT—Continued

ILOILO PROVINCE (300).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Jaro.....	3	40	Capt. A. D. Haskell, senior inspector; Second Lieut. A. H. Matthews, supply officer; Second Lieut. F. L. Dunham.
Oton.....		7	
Sara.....	1	21	First Lieut. P. Lyons.
Balasan.....		9	
Lemery.....		8	
Passi.....	1	9	Third Lieut. M. Guaso.
Calinog.....		9	
Banate.....		8	
Januay.....	1	27	Third Lieut. D. D. Strong.
Lambunao.....		10	
Massin.....	1	26	Second Lieut. H. W. Coutermarsh.
Cabatuan.....		8	
Alimodian.....	1	23	Subinspector Pedro Martins.
Leon.....	1	32	Second Lieut. J. R. Lewis.
Cordoba.....		5	
Agbaras.....		7	
Tubungan.....		6	
San Joaquin.....		6	
Iloilo.....		7	
Special duty, telegraph division.....		20	
Absent without leave.....		4	
Sick in hospital, Jaro.....		1	
Detached service, Antique.....	1		Second Lieut. A. G. Barber.
Total.....	10	293	

Attached: Telegraph division, 1 officer (Second-class Inspector C. B. Compton) and 3 enlisted men; medical division, in hospital, 6 enlisted men.

Detached service: From general service, third district, 3 enlisted men.

LEYTE PROVINCE (250).

Tacloban.....	5	50	First Lieut. H. Barrett, senior inspector; Third Lieut. M. G. Browne, supply officer; Second Lieut. J. Flores; Third Lieut. S. C. Edmondson; Third Lieut. P. E. Memmatt.
Carigara.....		16	
Tunga.....	1	29	Subinspector G. Abanilla.
Jaro.....		16	
Naval.....		31	
Palompon.....		15	
Valencia.....	1	25	Subinspector F. Miranda.
Special duty, telegraph division.....		5	
Detached service, district school, Iloilo.....		4	
Absent sick, Borongan.....		1	
Total.....	7	192	

Attached: Telegraph division, 2 officers (First-class Inspectors C. F. Lyons and E. Q. Smith) and 3 enlisted men; Company A, general service, third district, 1 officer (Second Lieut. C. Schreiner) and 36 enlisted men.

NEGROS OCCIDENTAL PROVINCE (235).

Bacolod.....	3	84	Capt. W. A. Smith, senior inspector; First Lieut. E. S. Haile, supply officer; Third Lieut. R. H. Harrell.
Guimbaloan.....		12	
Murcia.....		10	
Manapla.....		12	
Isabela.....	1	26	Second Lieut. C. A. S. Howard.
La Castellana.....	2	41	First Lieut. M. J. Conway; Third Lieut. A. Azcona.
Cabancalan.....		13	
Sipalay.....		15	
Escalante.....	1	18	Second Lieut. J. R. Corfield.
Special duty, telegraph division.....		9	
Absent sick, Iloilo.....		1	
Detached service, district school, Iloilo.....		5	
Total.....	7	246	

Attached: Telegraph division, 1 officer (Third-class Inspector A. M. Taylor) and 5 enlisted men.

Station and strength list of Philippines constabulary, June 15, 1904—Continued.

THIRD DISTRICT—Continued.

NEGROS ORIENTAL PROVINCE (130).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Dumaguete.....	2	32	First Lieut. E. R. Knapp; Third Lieut. B. A. Steventon, supply officer.
Tayasan.....		14	
Staton.....		13	
Valle Hermoso.....		14	
Bais (temporarily unoccupied).			
Special duty, telegraph division.....		7	
Detached service, Iloilo, hospital for instruction.....		2	
Detached service, Cebu.....	1	10	First Lieut. J. S. Mohler. Capt. R. H. Page, senior inspector.
In the field.....	1	14	
Special duty, escort for provincial governor.....		4	
Total.....	4	100	

Attached: Telegraph division, 1 officer (Third Class Inspector C. Erich), and 5 enlisted men; 21 enlisted men, Company A, general service.

PARAGUA PROVINCE (105).

Cuyo.....	2	31	Capt. R. A. Preston, senior inspector and supply officer; subinspector, J. Romasanta.
Coron.....		16	
Taytay.....		13	
Balabac.....	1	20	Second Lieut. F. Walker.
Cape Melville.....		10	
Total.....	3	90	

Attached: Company B, general service, 20 enlisted men.

SAMAR PROVINCE.

Catabalogan.....	4	46	Capt. H. J. Hunt, senior inspector; First Lieut. W. A. Burbank, supply officer; Second Lieut. J. A. Jeancon, Second Lieut. W. K. Martin.
Calbiga.....	1	30	
Borongan.....	2	70	Third Lieut. J. Sulse. First Lieut. R. M. Poggi, Third Lieut. P. Abenis.
Catarman.....	1	33	
Absent, sick, Borongan.....		8	Second Lieut. C. B. Bowers.
Confined in hands of civil authorities.....		1	
Absent without leave.....		1	
Total.....	8	189	

Attached: Company B, general service detachment, 1 officer (Second Lieut. C. M. Smith), and 29 enlisted men; medical division, 1 officer (Second Lieut. E. A. Farrow), and 3 enlisted men.

GENERAL SERVICE.

Company A:			
Detached service, Ormoc, Leyte..	1	36	Second Lieut. C. Schreiner. Subinspector C. Cataylo.
Detached service headquarters, Iloilo.....	1	2	
Detached service, Negros Oriental.....		21	
Absent, sick, Borongan.....		1	
Company B:			
Detached service, Catbalogan, Samar.....	1	29	Second Lieut. C. M. Smith.
Detached service, Paragua.....		20	
Confined in hands of civil authorities.....		1	
Absent, sick, hospital, Jaro.....		1	
Detached service with Company A awaiting transportation.....		1	
Unassigned: Detached service, Iloilo, recruits.....		3	
Total.....	3	115	

Assigned, not reported: One officer (Third Lieut. C. A. Christied); medical division, 1 officer (Third Lieut. V. H. Taylor).

Station and strength list of Philippines constabulary, June 15, 1904—Continued.

THIRD DISTRICT—Continued.

SUMMARY.

	Officers.	Enlisted men.		Officers.	Enlisted men.
District headquarters.....	6		Negros Occidental.....	7	246
Antique.....	3	125	Negros Oriental.....	4	100
Bohol.....	2	68	Paragua.....	3	90
Capiz.....	5	156	Samar.....	8	189
Cebu.....	6	120	General service.....	9	115
Iloilo.....	10	203			
Leyte.....	7	192	Total.....	70	1,604

FOURTH DISTRICT.

Headquarters.—Maj. J. S. Garwood, commanding; adjutant (vacancy); surgeon, Capt. T. C. Walker; telegraph officer, First-class Inspector L. B. Manchester; supply officer (vacancy).

ABRA PROVINCE (100).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Bangued.....	3	70	Capt. W. B. Williams, senior inspector; Second Lieut. H. A. Duryea, supply officer; Third Lieut. Honorato Balasta.
San Jose.....		10	
Special duty, telegraph division.....		2	
Detached service, Isabela Province.....	1		Subinspector G. Ferrandez.
Detached service, fourth district band.....		3	
In hands of civil authorities.....		2	
Absent with leave.....		2	
Total.....	4	89	

Attached: Telegraph division, 2 enlisted men; medical division, 2 enlisted men.

BENGUET PROVINCE (50).

Baguio.....	3	28	Second Lieut. T. H. F. Diederich, senior inspector; second Lieut. J. F. Egerton, supply officer; Subinspector Clemente Valdez.
Sablan.....		8	
Detached service, fourth district band.....		2	
Total.....	3	38	

Attached: Telegraph division, 1 officer (Third-class Inspector G. L. Rickards).

CAGAYAN PROVINCE (162).

Tuguegarao.....	3	58	Capt. Henry Knauber, senior inspector; Second Lieut. Herbert N. Shobe; Third Lieut. Guy H. Greene.
Aparri.....	3	28	First Lieut. J. M. Van Hook, supply officer; First Lieut. W. D. Harris; First Lieut. Ernest R. Hazard.
Special duty, telegraph division.....		2	
Detached service, Isabela Province.....		22	
Detached service, fourth district band.....		4	
In hands of civil authorities.....		2	
Total.....	6	116	

Attached: Telegraph division, 1 enlisted man.

Station and strength list of Philippines constabulary, June 15, 1904—Continued.

FOURTH DISTRICT—Continued.

ILOCOS NORTE PROVINCE (156).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Laoag.....	3	65	Capt. B. L. Smith, senior inspector; First Lieut. J. C. Buttner (temporary); Third Lieut. Omar C. Humphrey, supply officer.
Bangui.....	1	6	Third Lieut. E. De Beralta.
Budoc.....		6	
Dingras.....		6	
Special duty, telegraph division.....		5	
Detached service, Isabela Province.....	1	39	Second Lieut. J. J. McLean.
Detached service, fourth district band.....		2	
Absent with leave.....	1		Capt. Harry J. Castles.
Total.....	6	129	

Attached: Telegraph division, 5 enlisted men; medical division, 1 enlisted man.

ILOCOS SUR PROVINCE (163).

Vigan.....	5	115	Capt. A. E. Hendryx, senior inspector; Second Lieut. J. McRae, supply officer; Third Lieut. C. H. Allen; Third Lieut. G. S. Holmes; Subinspector Dionicio Reyes.
Special duty, telegraph division.....		4	
Detached service, fourth district band.....		5	
Detached service, Abra Province.....		1	
Sick in hospital, Vigan.....		1	
Sick in hospital, Iligan.....		1	
Absent with leave.....		5	
Total.....	5	132	

Attached: Telegraph division, 11 enlisted men; medical division, 1 officer and 8 enlisted men.

ISABELA PROVINCE (162).

Iligan.....	2	54	Capt. T. I. Owen, senior inspector; First Lieut. E. C. Collins, supply officer.
Echague.....	4	67	Second Lieut. G. A. Helfert; Second Lieut. Joseph Delaney; Third Lieut. James Treadaway; Subinspector Domingo Dannuy.
Special duty, telegraph division.....		5	
Detached service, fourth district band.....		3	
Total.....	6	129	

Detached service: From Abra, 1 officer (Subinspector G. Ferrandez); from Cagayan, 22 enlisted men; from Ilocos Norte, 1 officer (Second Lieut. J. J. McLean) and 39 enlisted men; from Ilocos Sur, 1 enlisted man.

Attached: Medical division, 1 officer (Second Lieut. Howard Talbott).

LA UNION PROVINCE (100).

San Fernando.....	2	52	Capt. E. R. Higgins, senior inspector; Third Lieut. R. A. D. Ford, supply officer.
Bangar.....	1	12	Subinspector Angel Bernal.
Rabon.....	1	16	Third Lieut. Jeremiah Sullivan.
Naguilian.....		15	
Detached service, Dagupan pack train.....		5	
Total.....	4	100	

Attached: Telegraph division, 1 officer (Third Class Inspector C. M. Sides) and 5 enlisted men.

Station and strength list of Philippines constabulary, June 15, 1904.—Continued.

FOURTH DISTRICT—Continued.

LEPANTO-BONTOC PROVINCE (165).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Cervantes.....	2	30	Capt. C. E. Nathorst, senior inspector; Third Lieut. D. R. Wilcox, supply officer.
Bontoc.....	1	32	Subinspector Santiago Robles.
Lubuagan.....	1	25	Second Lieut. Harry E. Miller.
Alilem.....	1	12	Third Lieut. A. J. Irwin.
Concepcion.....		8	
San Emilio.....		5	
Quinali.....		5	
Detached service, fourth district band.		1	
In hands of civil authorities.....			
Total.....	5	126	

Attached: Telegraph division, 2 enlisted men.

SUMMARY.

	Officers.	Enlisted men.		Officers.	Enlisted men.
Headquarters.....	3	89	Isabela.....	6	129
Abra.....	4	38	La Union.....	4	100
Benguet.....	3	116	Lepanto-Bontoc.....	5	126
Cagayan.....	6	129	Total.....	42	859
Ilocos Norte.....	5	132			
Ilocos Sur.....					

FIFTH DISTRICT.

District headquarters.—Col. J. G. Harbord, commanding; First Lieut. F. Johnson, district supply officer; Second Lieut. J. P. Caswell, acting supply officer.

COTABATO PROVINCE.

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Cotabato.....	3	52	Capt. J. R. White, senior inspector; Capt. C. M. Sanford, on detached service en route Davao; Third Lieut. L. Furlong, on detached service from Sulu.
Kudarangan.....	1	25	Third Lieut. C. E. Hendrix, on detached service from Zamboanga.
Pollok.....		7	
Attached constabulary:	4	84	
Davao.....		10	
Sulu.....	1	34	
Zamboanga.....	1	18	
Attached en route to station.....	1		
Total.....	1	22	

DAVAO PROVINCE (150).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Mati.....	2	43	Capt. W. O. Parsons, senior inspector; Third Lieut. G. O. Fort.
Baganga.....	1	29	First Lieut. W. C. Taulbee.
Detached service:			
Zamboanga.....		30	
Cotabato.....		10	
Total.....	3	112	

LANAO PROVINCE (150).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Detached service, Zamboanga.....		4	

Station and strength list of Philippines constabulary, June 15, 1904—Continued.

FIFTH DISTRICT--Continued.

MISAMIS PROVINCE (130).

Where stationed.	Officers.	Enlisted men.	Officers—name and rank.
Cagayan.....	2	48	Capt. J. J. Gallant, senior inspector; First Class Inspector F. P. Warren, T. D. attached.
Misamis.....	1	30	Second Lieut. M. Fortich.
Oroquieta.....	1	30	First Lieut. C. C. Crooke.
Detached service, Manila.....		2	
	4	110	
Attached telegraph division.....	1		
Total.....	3	110	

SULU PROVINCE (150).

Bongao.....		20	Sergeant Madrazo.
Siasi.....	1	12	Capt. T. R. Hayson, senior inspector.
Detached service, Cotabato.....	1	34	Third Lieut. L. Furlong.
Total.....	2	66	

SURIGAO PROVINCE (100).

Surigao.....	3	69	Capt. O. Waloe, senior inspector; First Lieut. C. J. Kindler, supply officer; Second Lieut. J. W. Lattimore, supply officer.
Butuan.....	1	15	Subinspector E. C. Zapanta.
Placer.....		11	Corporal Fermil.
Total.....	4	95	

ZAMBOANGA PROVINCE (150).

Zamboanga.....	1	51	First Lieut. G. C. Taulbee, senior inspector.
Buluán.....		9	Sergeant Fernandez.
Dapitan.....	1	25	Subinspector A. Carliaga.
Isabela.....	1	25	Third Lieut. G. A. Gallagher.
Tucuran.....	1	23	Second Lieut. W. J. Platka.
Detached service:			
Cotabato.....	1	18	Third Lieut. C. E. Hendrix.
Manila.....		4	
	5	155	
Attached constabulary:			
Davao.....		30	
Lanao.....		4	
Total.....	5	121	

SUMMARY.

	Officers.	Enlisted men.		Officers.	Enlisted men.
District headquarters.....	2		Surigao.....	4	95
Cotabato.....	1	22	Zamboanga.....	5	121
Davao.....	3	112	Telegraph division.....	1	
Lanao.....			Total.....	21	530
Misamis.....	3	110			
Sulu.....	2	66			

SUMMARY OF STRENGTH BY DISTRICTS.

Headquarters.....	27		Fifth district.....	21	530
First district.....	84	2,352	Headquarters troop.....	9	224
Second district.....	38	974	Total.....	291	6,633
Third district.....	70	1,694			
Fourth district.....	42	859			

During the past year the chief difficulty that has been encountered in the direction of administration has been in securing good supply officers at the present rates of pay. Where these officers are efficient, the work of supplying the constabulary with its different wants and the insular and provincial officials throughout the archipelago with commissaries has been satisfactory. It would therefore seem that both theoretically and practically the system is correct, and with the proposed increase of pay applicants of more skill for this particular work will present themselves.

Under the provisions of the proposed legislation granting premiums to officers learning native dialects, it will be made incumbent upon them to take up the study of at least one of the principal dialects. The importance of direct conversation by constabulary officers with the Filipinos can not easily be overestimated.

A more complete system of inspection is being devised to meet the requirements of the wide distribution (200 posts) of the constabulary. This inspection will have for its object not only measures productive of cohesion and discipline, but it will be in the nature of instruction, especially such as relates to the purely civic duties of officers and their relations to other officials and the people.

The tariff has been made applicable to supplies intended for constabulary use, and the cost of maintenance is correspondingly increased. In spite of this, however, the cost per man per year has but slightly exceeded \$250.

With the improved conditions now existing in the archipelago, the constabulary in all its ramifications is being subjected to measures that will insure a higher standard of efficiency. The loyalty of the Filipinos to the authorities paying, feeding, and sheltering them has been highly gratifying.

No element is more potent in maintaining order in these islands than the liberal use of telegraphic communication. The transfer of the military lines to the civil government is being slowly but surely effected. The rate of transfer will largely depend upon the funds made available by the Commission. The cordial cooperation of Major Maxfield, chief signal officer of the division, with the constabulary telegraph division has greatly facilitated the work of the latter. The importance of a cable ship for repairing existing lines, as well as for laying new ones, has been duly reported to higher authorities. In an archipelago like this, government and commercial needs are largely dependent upon such a ship, and its acquisition is earnestly requested.

Very respectfully,

HENRY T. ALLEN,
Brigadier-General, U. S. Army, Chief of Constabulary.
The SECRETARY OF COMMERCE AND POLICE,
Manila, P. I.

SUPPLEMENTAL REPORT, JULY 1 TO SEPTEMBER 2, 1904.

HEADQUARTERS PHILIPPINES CONSTABULARY,
Manila, P. I., September 22, 1904.

SIR: In accordance with your verbal instructions, I have the honor to submit herewith a report up to date supplemental to my annual report for the fiscal year ending June 30, 1904.

By virtue of the instructions of the Commission, and as a result of the recent annual appropriations act, the constabulary force must be reduced from an authorized strength of 7,500 (actual strength of 7,200) to 6,200 by the end of June, 1905.

In the execution of this measure (to make good the diminution of the constabulary by 1,000 men) the scout companies that were already under the civil government have been further divided by assignment to a greater number of stations, and six additional companies of 100 men each (eighteenth, thirty-fifth, thirty-sixth, thirty-seventh, thirty-ninth, and fortieth) have been asked for and taken over by the undersigned.

At present the constabulary occupies 207 posts, the scouts 65.

General Orders, No. 99, War Department, extract of which follows, has greatly facilitated the use of scouts by simplifying the command:

Whenever it becomes necessary in the execution of the statute above cited to direct the travel of officers, or the movement of companies or detachments of Philippine Scouts which have been placed under the command and control of the chief or assistant chiefs of the Philippines Constabulary, the orders directing such travel of officers or movements of troops will be issued by the chief of the Philippines Constabulary or by an assistant chief, if the travel or movement is within the limits of the district under his charge and control. The cost of transportation of troops and the reimbursement of expenses incurred in travel will constitute a charge upon the appropriations for the support of the Army, and will be accepted and paid by officers of the Pay and Quartermaster's Departments as if issued by the commanding general of a territorial division or department.

* * * * *

The chief of the Philippines Constabulary will submit, in advance, quarterly estimates of the funds needed under the several heads of appropriation for the movement of troops or for the mileage of officers for the purposes hereinbefore indicated. These estimates will be forwarded to the commanding general, Philippines Division, through the civil governor of the Philippine Islands, and will be embodied in the estimates forwarded to the War Department by the chiefs of the proper departments of the staff in the Philippine Islands. They will be restricted to the amounts necessary for the efficient performance of the duties enjoined in the statute above cited.

I urgently invite attention to the recommendation made in my annual report regarding the necessity of more company officers for scouts, and also battalion commanders to properly supervise both field and administrative work of the numerous small garrisons. It is hoped that the other measures recommended concerning same subject may receive favorable consideration.

Under the constabulary act of Congress, assistant chiefs of constabulary who are not army officers may not command scouts. This law and the absence of three assistant chiefs (two of whom are army officers) have made it necessary to assign both Captains Rivers and Dade, of the United States Cavalry, specially desired by the civil governor for inspection service, to command respectively the second constabulary district and to take charge of field operations against the fanatical Pulajanes in the mountains of Cebu and Samar.

As the term of enlistment of all the scouts expires this year, and nearly all of them during the present month, the establishment of new posts has taken place at a most inconvenient time.

The cooperation extended by General Wade, through his acting chief of staff, Major Mann, and by General Randall, commanding Department of the Luzon, in which most of the scouts are serving, is radically minimizing the difficulties.

Under the provisions of the new appropriation act, the average pay of constabulary lieutenants was increased by \$50, and an additional \$50 made available for those officers who learn any one of the leading Filipino dialects.

DISTURBANCES.

In the first district ladrone bands are being continually decimated. At present much smaller detachments may be safely used in their extermination. Depredations since last report are practically nil; on the other hand, various fragments of bands have been struck, and many captured ones have been duly sentenced. Judge Crossfield, of the court of first instance, states that since the decisive fight against San Miguel's force, two years since, in which the general was killed, he has sentenced 550 of the organization captured from time to time.

Under the present disposition of the scouts and constabulary large ladrone bands can not exist, nor can the few bandit chiefs still out keep their men together. Such a condition of tranquillity has never before existed in this district. It does not follow, however, that the country in general, much less the mountainous regions, is entirely free from armed ladronism.

San Felipe Salvador, one of the popes of the Philippines, still hides in the Candaba swamps, and has a considerable following among the ignorant, his armed bands, under two or more small leaders, having in all about twenty-five firearms. The latest from this militant church dignitary is contained in the following copy of letter taken from one of his captured apostles:

[Translation.]

SEPTEMBER 2, 1904.

Señor DIONISIO VELASQUEZ:

My dear brothers in the Santa Iglesia (Holy Church), to whom I have intrusted all the companies: My purpose is to request you to try to assemble all our brothers in this Katipunan, beginning this date, the second day of September, 1904. Endeavor to assemble all the soldiers, and as soon as you have complied with your work, please send me a communication, in order that you may know of my great desire to comply with our needs.

I therefore request you to do all you can in order that we may have our self-government within the month of October.

Without anything further to say, may God keep you safe for many years.

FELIPE SALVADOR.

The second district is, generally speaking, very quiet. The killing of Roldan, and the complete extermination of his band, as set forth in the following telegram from Lieutenant Cheatham, of the scouts, has freed the Camarines-Tayabas border country of a great scourge:

Returned from mountains at 1.30 this morning with the dead bodies of Roldan and three others of his men; also 21 prisoners, 7 guns, and 2 revolvers, a few bolos and small amount of ammunition. This was all he had except 1 revolver. Roldan positively identified.

This leaves Saria's armed band in the Albay volcano district with about 11 guns, and an armed band in the Capalonga district in the northwest part of Ambos Camarines with probably fewer guns.

In the third district the pulajanes of Cebu, Samar and Leyte have broken out and are giving considerable trouble. Pulajanism seems to be a resentment of the mountain people against the lowland people, of the cultivators of the soil against the townspeople who purchase their products, for real or fancied oppression, expressed in

the only way with which they are acquainted. Their ignorance prohibits recourse to law. There are always agitators who profit by this discontent to urge these ignorant people on to barbarous deeds. The fanaticism of these people is also exploited to its ultimate limits, with the result that when a town is attacked the most horrible atrocities are committed.

The recrudescence of this agitation in the three mentioned Visayan provinces at the same time would indicate some concerted action. The subject is being carefully investigated.

In the province of Leyte, operations have been restricted to a small section of mountain country tributary to Ormoc. It was here in an attack on a small mountain fort that Captain Barrett was killed by a slug from a bamboo cannon on the 25th of August last.

In Cebu the uprising began by an attack on the town of Pinamungajan, where the fanatical mountaineers killed 1 man, wounded 3, and burned 125 houses, including municipal buildings with all records.

To assist the constabulary the Thirty-sixth Company of scouts was put at Naga on the east coast, and the Thirty-seventh Company at Toledo on the west coast. The command of all operations in the province was given to Captain Dade, U. S. Cavalry, inspector-general Philippine Constabulary.

Two stations, about 20 miles apart, have been established in the range of mountains extending throughout the province from north to south, one connected by wire from Toledo on the west coast and the other by wire from the city of Cebu. Since early Spanish days these mountaineers have willfully failed to respond to the aspirations of the government. Many of the 200,000 people involved in the region in question would gladly be freed from the Pulajanes, as shown by the voluntary aid they are rendering in building nipa quarters and barracks for these stations and in cutting a trail between them.

Numerous detachments are kept in the field and much punishment has already been meted out. In spite of this the following telegram, dated September 20, shows that the punishment has not yet been sufficient:

Pulajanes entered Asturias this morning 100 to 200 strong, 8 rifles, 2 cannon, killing 3 native volunteers and burning about 30 houses. Pulajan casualties, 2 killed and 6 wounded.

In Samar Pulajanism has reached its greatest development. A few years since there were two rival factions of fanatics in this province, one under Anugar called the "Dios Dios" sect, the other under Pope Pablo called the Pulajanes. At present this distinction does not exist, and all are called Pulajanes (the Red-trousers.)

The following telegram from Major Crawford gives a good understanding of the character of the Pulajanes and their methods. No people in the Philippines, not excepting the Moros, have shown more deadly work with the bolo than have the mountaineers of Samar:

Return from Gandara. Brought in Bowers and Schreiner from nine days' locating central headquarters Pulajanes, on Magpapgao range north of Cagtotoy. Bowers captured outpost and valuable information. Morning 21st he sent 35 women and children, Pulajanes, with 13 constabulary down river. Crockett followed with 15 men. Below Bulao, Pulajanes with 25 guns, 100 bolos, both sides river, called to women prisoners to escape, upsetting barotes, which they did; constabulary fought in water, expending about 30 rounds ammunition apiece; 7 constabulary shot through head, 1 in body, other 5 escaped; lost 11 guns; very deep water. Crockett unobserved landed and got within 30 yards of riflemen; volleyed, and volley returned, wounding 6 Crockett's men in feet and legs. First volley Crockett's shoulder straps centered attack on him. He killed 5 with his shotgun as he fell, boloed.

Killed the captain of Pulajanés, who with 3 others fell dead over Crockett, saving his life. Courage and discipline alone saved Crockett's men from annihilation. Crockett and wounded men joined in chase of Pulajanés. At scene 23 dead Pulajanés. Other detachment, first fight in boats killed 13. There were 10 cargadores and 2 women killed. Bodies of all constabulary, with their belts on, recovered from river last night; buried with honors. Crockett captured 4 guns, 500 Krag ammunition. Sent this evening Schreiner, Hemmitt, total 45, to Oquendo to work to Gandara. Pulajanés in fight were of Bunoyan battalion. Prisoner reports arrival of Catubig raiders in Magpao.

On September 1 a detachment of scouts under Lieutenant Overly of the Thirty-fifth Company was attacked in the early morning near Mount Bunayan by a band of about 100 bolomen and 2 riflemen. In this engagement Sergeant Menicke, of the Hospital Corps, and 2 scouts were killed and 2 were wounded. One Springfield carbine was lost, but 2 Springfields were captured, besides 10 bolos and ammunition. Ten Pulajanés were killed. Sergeant Menicke died from a bolo wound.

On September 7 Lieutenant Clearman, commanding Thirty-ninth Company of scouts, had an engagement with about 300 Pulajanés, under Pedro de la Cruz, after which 74 were found dead on the ground.

Many other small engagements have taken place, in which both scouts and constabulary have given a good account of themselves.

At the time of writing this the Pulajanés have been compelled to quit the valleys of the Gandara and the Catubig and the tributary country thereto, going to the east coast where they have destroyed several nipa barrios.

There are at present 600 troops, equally divided between constabulary and scouts, engaged in this large mountainous island in bringing about order.

An additional scout company is under orders for the town of Taft (Tubig) on the east coast, and also a detachment of Moro constabulary. This will be the first trial made of Moros outside of their own country. Favorable results are anticipated.

Though stripped of most of his men and arms Pope Isio continues to escape the agents of the law in the mountain fastnesses of Negros. He has changed the name of his followers from Babaylanes to the more modern one of Pulajanés.

In the fourth district conditions remain quiet. A few small fights between rancherías or towns of the wild tribes have been reported, especially between the Igorrotes of eastern Bontoc and northern Nueva Vizcaya.

The following telegram of September 20 shows trouble near the Bontoc-Cagayan frontier:

Lieutenant-Governor Folkmar wires that Lufo, on Cagayan border, with 20 guns, burned Dacalan on 12th and decapitated 8 people. He suggests cooperation with Bontoc from Lubungan to Lias, and then go after guns at Mayoyao and Sibley, making a general clean up of that region.

The present policy of enlisted factions of warring rancherías into the same organization will in time destroy existing feuds with the accompanying practice of taking heads. The Igorrotes possess elements indicating that they have a future in the coming development in the islands.

In the fifth district the work of drilling and instructing the Moros continues.

The Cotabato Valley is the most disturbed portion of the Moro district. The limited use of Moro constabulary against Moro outlaws has proved satisfactory.

In the Moro country, more than in any other part of the archipelago, time is a most important factor to be considered in the solution of the problem—the civilization and education of the population.

The successful work of Captain Gallant, Philippines Constabulary, in breaking up the bands of religious outlaws in Misamis deserves special mention. In the first period of this small uprising we had 2 constabulary killed and 1 wounded, while the outlaws had 18 killed and a large number captured, of whom 70 have already been sentenced to Bilibid. During August the same element attacked a barrio near Nauan, killing 4 and abducting 20 others. As a result of this 4 outlaws were killed and 100 were captured and are held in jail awaiting trial. About 40 outlaws of this band still remain at large.

Various minor engagements and expeditions into hostile Moro country have been made by constabulary officers and detachments, some independently and some in connection with United States troops, in which the constabulary has had several casualties.

In spite of Pulajanism and the disturbances in Mindanao, a tremendous stride in peace conditions has been made since the beginning of the calendar year. Greater progress in this direction could not justly be expected.

The collector of customs has agreed with the undersigned to permit the use of customs cutters stationed at Iloilo, Cebu, Sorsogon, Jolo, and Puerto Princesa for transportation of constabulary and scouts as long as the visiting of the principal towns of the several customs districts once per month is not interfered with. This offers a decided advantage for improvement of inspection service, and will give senior inspectors opportunity to make great savings of time in patrolling localities difficult to reach by land.

Very respectfully,

HENRY T. ALLEN,
Brigadier-General, Chief of Constabulary.

Hon. W. CAMERON FORBES,
Secretary of Commerce and Police.

REPORT OF THE FIRST DISTRICT, PHILIPPINES CONSTABULARY.

HEADQUARTERS FIRST DISTRICT, PHILIPPINES CONSTABULARY,
Manila, P. I., June 30, 1904.

SIR: I have the honor to submit the following report of operations and conditions in the first constabulary district for the year ending June 30, 1904:

The district comprises the following provinces: Bataan, Batangas, Bulacan, Cavite, Laguna, Nueva Ecija, Nueva Visaya, Pampanga, Pangasinan, Rizal, Tarlac, Zambales.

The great majority of the inhabitants of the first district are Tagalog. They have a more restless disposition, more political ambition and are more warlike than any other tribe. They inhabit the provinces adjacent to Manila, where nearly all political and seditious plots originate. It is, therefore, but natural to expect that incipient disturbances will occur from time to time, until these people have learned to respect the Government which is doing so much for their advancement.

Under the guise of patriotism, and a pretense to be fighting for national independence, certain bands of outlaws have given more or less trouble since the termination of the insurrection in the islands. The bands generally are led by persons who, due to former crimes, are compelled to follow the lives of bandits to escape capture. They have been unable to attach to themselves a class of ignorant followers and criminals who prey upon the people who are disposed to live respectable and law-abiding lives.

While these bands proclaim themselves patriots, they do not hesitate to rob and steal when there is opportunity, and frequently murder those who fail to submit to their demands, or give to the authorities information concerning them.

There are other bands who make no pretensions to be any thing else than robbers.

Still other bands are religious fanatics, who incidentally compel the inhabitants of neighboring barrios to feed them, and do not hesitate to take possession of any money or other personal property, such as animals, jewelry, etc., which diligent search will place within their reach.

In certain sections, organized carabao stealing is in vogue, and I regret to state that in some instances our investigations have shown that the principal manipulators in this "industry" are men in whom the government has placed some confidence. The method of operating is generally as follows: A common carabao thief steals the animal, drives it into the mountains, rebrands it and keeps it there for a certain period, then sells it to a middleman who obtains forged registration papers of ownership from an expert for a consideration, or induces a dishonest presidente to issue false registration papers. The animal is usually driven into an adjoining province for this purpose. With changed brands and certificates of ownership the animal is now ready for the market, where it brings a handsome profit. Many of them reach the markets in Manila. Of course the constabulary capture many of these animals while in the transition period. The large number recovered during the past year, as shown in tabulated appendix to this report, is thus accounted for. There is still another species of carabao thief who makes no pretension to go through with the foregoing operation, but simply steals the animal, hides it and, through a third party, demands a ransom for its return. It is occasionally our good fortune to catch the person thus manipulating the deal, who, to save his own skin, gives such information that enables us to catch the thief and recover the animal.

A band of thieves in Batangas Province, in addition to the above, went so far as to demand a tax of 5 pesos a head on each animal, over quite an extended section, as a guarantee that the animal would not be stolen. It was found that many persons had paid this tax, believing that it was the simplest and easiest way to insure immunity of the animal against theft. These persons afterwards refused to give any information, having been threatened with death if any part of the transaction was divulged. I am glad to report that at present we are making considerable progress in breaking up this practice and catching the guilty parties, among them the chief of police of Lipa and several officeholders of the pueblos of Batangas and Laguna provinces.

Animal stealing is not a new industry in the islands. The Spaniards coped with the same difficulty for generations, and it is believed that we are making better progress in stopping it than they ever did. The Commission has recently enacted legislation which will materially assist in stopping it, and it is believed that if, during the reregistration of animals, a special paper is provided and used, which can not be counterfeited, we will have taken a great stride in preventing this crime.

Another practice in the islands which leads directly to much crime is the vice of gambling. The Filipino is a natural gambler, and I regret to say that municipal and provincial authorities, particularly the former, lend but little assistance in preventing it. It is believed that stringent and specific laws on this point should be passed by the Commission and taken entirely out of the hands of municipal authorities. It is an easy matter for a gambler to turn ladrone and procure a stake from his neighbor with which to continue his vicious practice.

At the close of the last fiscal year we had just succeeded in practically destroying the most formidable band of "patriotic" outlaws, under San Miguel, that the constabulary has had to cope with. San Miguel and 61 of his followers were killed and the band so scattered and demoralized that it was never reunited. Since that time his principal lieutenants have all been captured, except one, Apolonio Sampson, who is still in hiding, but with no following worthy of mention.

Julian Santos and Faustino Guillermo were captured, tried, and sentenced to death. The former cheated the gallows by dying in prison. The latter was hanged at Pasig on May 20, 1904. The fourth, Ciriaco Contreras, was recently captured by scouts in a barrio in Cavite Province, where he was living under an assumed name and following the trade of a fisherman for a living. He is now awaiting trial.

So many of San Miguel's followers have been picked up by constabulary, scouts, and secret service men, and tried, that a judge of the court of first instance was recently led to say that he was sure that he had sentenced more of San Miguel's followers than were originally claimed to belong to the band, the maximum being placed at 300.

The names of old offenders such as Montalon and Felizardo still adorn our posters of "Wanted," but, although they have managed to escape capture, their bands have been largely broken up and many captured during the past year. In Cavite Province alone more than 200 have been sent to Bilibid for terms ranging from two to forty years. At present Montalon is reported to be hiding in the mountains on the Cavite-Batangas border, and Felizardo is reported to be sick with tuberculosis and concealed by his friends somewhere in the vicinity of Las Piñas. While the precepts of the good book teach us differently, still I believe that I am justified in profoundly desiring to see him captured and hanged.

before the ravages of disease allow him to escape a fate which he so well merits. In September these two celebrities combined their forces and raided the town of Bay, where they robbed the Tabacalera company and Chinese merchants of that town. An investigation of the affair showed that the presidente sent the municipal police out to escort them into the town and to insure them against a surprise by the constabulary. It was also shown that this raid had been expected by the authorities for several days, but no intimation was given the senior inspector by either the governor of the province or presidente of the town, although the latter, when cross-examined, protested that he had notified the governor. The raid was made on the day following the withdrawal of a detachment of the engineer corps of the army from the town. The success of this raid induced these worthies to again believe that the glad hand would be extended to them in Laguna in April, when they mustered their forces, announcing that they were now, since the advent of Ricarte, genuine "revolutionarios." The result showed that the people of Laguna had experienced a change of heart. Constabulary of Cavite, Batangas, and Laguna rapidly assembled along the borders of the three provinces. Six companies of scouts were quickly sent to the scene, and while some organizations followed on their trail, others arranged to intercept them. The people of Laguna rendered much assistance, and the result was that after chasing them for two days they dissolved, with the loss of 23 killed, 5 captured, and 14 arms captured. These bands have not since attempted to concentrate, and, although we have captured many of their followers, no doubt we will hear from them again at some future time.

In September it was determined to place more troops in Cavite Province. The province was divided into 11 districts and four additional companies of scouts placed there, and instructions issued for patrolling under the following orders:

IMUS, CAVITE, September 9, 1903.

Field orders No. 17.]

The province of Cavite will be divided temporarily into districts for scouting, patrolling, and secret-service work, with stations and organizations as follows. (See accompanying map for district lines.)

District.	Organization.	Station.
1	Fifth Company, Scouts.....	Imus and San Nicolaas.
2	Twenty-first Company, Scouts.....	Do.
3	Thirteenth Company, Scouts (detachment 25 men).....	Melagasan.
4	Eighth Company, Scouts.....	Das Mariñas.
5	Nineteenth Company, Scouts.....	Biñan, San Pedro, and Muntinlupa.
6	Sixth Company, Scouts.....	Carmona.
7	Forty-fifth Company, Scouts.....	Silang.
8	Second Company, Scouts (detachment 50 men).....	Amaya.
9	Twenty-ninth Company, Scouts.....	Naic.
10	Seventh Company, Scouts (detachment 50 men).....	Cavite Viejo.
11	Constabulary.....	Quintana.
12	do.....	Indan.
13	do.....	Amadeo.
14	do.....	Maragondon.
15	do.....	Magallanes.
16	do.....	Rosario and San Francisco de Malabon.
17	do.....	Cavite.

The organizations and detachments at stations designated will take up the work indicated at once. Others as soon as rations are provided. Officers in charge of districts are expected to keep the section over which they have jurisdiction thoroughly policed. With this in view they are authorized to establish additional stations in barrios, composed of such number of men as can do effective work, which detachments will be frequently changed. They will call upon *tenientes* of barrios to provide shelter. At every station where there is a telephone one or two men will be detailed to attend to telephonic calls at all hours, day and night, and will be held to a strict accountability that this duty is properly performed.

A secret-service bureau has been established at Imus. All officers will transmit information to the senior inspector at Cavite promptly, and to Imus. They will always transmit information to the nearest station, which should act on information so learned and transmitted. Messengers will be used when necessary and paid for or *rales* given to the supply officer for payment. These instructions apply to both scout and constabulary officers. Any officer having knowledge of intelligent and reliable men who can be utilized for secret-service work will report their names to the senior inspector of the province.

Prisoners captured will be investigated, and if sufficient proof to warrant preliminary trial can be obtained a warrant will be sworn out against them and they will be proceeded

against according to law. If they can be utilized in obtaining information by confessions made, such information should be sent to the bureau here, or the prisoner himself sent here to be questioned by Lieutenant Crame, of the information division.

By persistent work and assurances to the people of our good intent toward law-abiding persons, it is believed that good results can be accomplished in the province. The district lines are only indicated to prescribe the territory generally to be covered. There cease to exist any lines when acting on information or in pursuit of ladrones.

Additional data will be placed on the map, such as roads, trails, sitios, single isolated houses—in fact, everything that can be utilized in making a complete map. Each commanding officer of a section will give this his attention. The maps will be taken in later, and all data obtained traced on the original tracing at constabulary headquarters. This map should receive as good care as possible. Some extra paper is furnished for making notes, which can be transferred to the map. Every scouting party should be able to furnish some data.

W. S. SCOTT,

Assistant Chief of Constabulary, Commanding First District.

Since that time, in spite of the extended assistance and sympathy shown these bands by the people of the province, partly through fear, but largely through a rebellious spirit, conditions have gradually improved. Still there is much to be desired and accomplished before Cavite can be classed as "good."

In May, under authority of the Commission, certain barrios in the province were concentrated and the people compelled to gather their goods and chattels and move to town, but allowed to go out during the day to work. Other barrios of the province, as well as certain ones of Batangas and Laguna, were required to move all their provisions into towns occupied by troops, but allowed to continue to live in the barrios, keeping only two or three days' supplies on hand, this to prevent them from feeding ladron bands, as had been their custom. While this has not had the desired effect it has caused these bands much inconvenience and hunger and compelled them to seek other pastures on which to graze. In consequence they are at present like "br'er rabbit"—lying low, not daring to try any movement. I believe that if we could now guarantee protection to the people at all places and times we would get more assistance than formerly. This is notably shown around Tanauan, in Batangas, where the people are for the first time giving us any aid or information.

In September, in addition to augmenting the troops in Cavite, a subdivision of the information bureau was established at Imus, under Lieutenant Crame, and the work accomplished by this bureau has been most excellent. I can not speak too highly of Lieutenant Crame's work. He is intelligent, conservative, and thorough. He allows no abuses and secures the friendship of the people.

Many ladrones captured, who were not charged with any serious offense, were liberated and used as spies to hunt for other ladrones, in addition to identifying suspects. Some of them have performed excellent work. The good work performed by this bureau induced those in authority to establish others at San Francisco de Malabon, Alfonso, and at Tanauan, Batangas. The combing thus given the vicinity of Imus has left that section comparatively free from ladrones.

In addition to service as spies, it has been customary at times to round up the male inhabitants of certain barrios and have these ex-ladrones look over the people and identify any of their former companions. I supervised one of these dragnet performances in which a number of barrios adjacent to San Francisco de Malabon were corraled. We gathered in about 1,500 hombres. They were required to pass in review as they returned to their barrios. As they passed the reviewing stand our judge eyed them closely, and occasionally drew a man out of ranks. Fourteen were thus identified and 11 of them convicted before the courts. In order that no favoritism be shown, every male inhabitant was brought in. The ex-governor of the province, the justice of the peace, and the presidente walked by with hat in hand as humbly as the "rice paddy tao."

During the year another star of first magnitude has made his appearance in Batangas Province. Oruga, who has been a ladron for a long time, got some guns together, accumulated a following of as fine a collection of cutthroats as the islands can boast of, and announced that he was a "colonel." The principal occupation of this choice collection has been stealing and ransoming animals in northern Batangas, where Oruga has given us considerable trouble. He has varied his proceedings from time to time by kidnapping a resident of some barrio and ransoming him similar to the "other cattle." We have succeeded in killing a number of his band and captured a few guns, but ladrones, like nits, continue to hatch as long as a gun can be provided.

The Twenty-fifth Company of scouts had a detachment of 7 men under a sergeant looking for Oruga and his band on April 6. They found him by allowing themselves to be ambushed. They succeeded in killing 7 of the band, but had 2 of their number wounded and 2 captured. The captured escaped after a few days and the wounded recovered.

Two days later Lieutenant Berners, of the scouts, intercepted part of this band and succeeded in wounding and capturing 1 and killing 1. About the most notable feat of this band was its attack on a party of surveyors, who were running the lines of the friar lands west of Batangas on March 20. This party, consisting of 2 Americans, a Chinese cook, and a muchacho, with 4 constabulary, were awakened at daylight by the band firing into camp. One surveyor was wounded and the sentinel killed. After looting the camp and relieving the party of provisions and pocket money, Oruga apologized by saying that he just wanted an explanation as to why they were surveying the land. Thus the ingratitude of some of our "little brown brothers" is prominently exemplified. While the government exerts itself to rid the country of what has been claimed by the Filipino to be the most unworthy act of their oppressors, by buying up the friar lands to dispose of them to the occupants, armed bandits smite the hand extended in succor.

For this gallant deed Oruga appointed himself a brigadier-general. There is one thing to be admired about him, and that is that occasionally he can be induced to put up a fight, when he feels that honors are in his favor, which is more than can be said generally of the leaders of these bands.

There are other small bands in Laguna, Batangas, and Cavite, headed by robbers of less notoriety than those mentioned. It has been our good fortune, from time to time, to capture or kill some of their members, but their complete extermination seems to be the only permanent remedy for getting rid of them.

There is a small band in Bataan, but they have almost been exterminated. The leader was formerly a native constabulary officer, but was caught stealing horses and placed in jail. He escaped and organized this band. He was later captured by a sergeant of constabulary and was killed while attempting to escape.

In Zambales there was a small band, but recent reports state that it is exterminated, except the leader, who is hiding in the mountains.

In Bulacan there is no organized band, but carabao stealing in that province is reduced to a science. An attempt was made to break it up, but our information division failed to receive the support of the officials and abandoned it temporarily. The governor of the province has recently requested assistance, and our efforts are again being exerted in that direction.

There are no organized bands in Tarlac or Pangasinan, but more or less carabao stealing is in vogue along the borders of those and Nueva Ecija provinces.

There is a band of religious fanatics in existence in northern Nueva Ecija, under the command of Felipe Salvador, known as "Santa Iglesia." They do not remain together continuously, but combine, commit depredations, and immediately disband. This outfit has given no trouble since September 16, 1903, when about 100 of these men, with about 40 guns, attacked the constabulary barracks at San Jose. The station consisted of an American officer and 44 men. The commanding officer, Lieutenant Wakeley, and 6 privates were wounded, 1 sergeant and 4 privates killed. Three of the wounded afterwards died. The outlaws lost 14 killed. The constabulary lost 3 Springfield rifles and captured 1 Remington and 2 Springfield rifles, besides bolos. This was the most vicious and persistent attack that outlaws have at any time in the district made on constabulary. It was in the middle of the night, and it is claimed by Captain Wakeley that there was one traitor among the constabulary. I embody herewith the report of the senior inspector on this affair:

CONSTABULARY OF NUEVA ECIIJA,

San Jose, September 20, 1903.

Sir: The following is the result of my investigation of the attack on San Jose, on the morning of September 16, 1903:

It appears from the statement of Lieutenant Wakeley that about 12.30 a. m., 16th instant, the sentinel posted on north side of his barracks, outside the trenches, was fired upon by a large crowd of persons. He immediately ran to the cuartel and gave the alarm. The guard and detachment at once "fell in" and opened fire on the attacking party, who were then close to the trenches. The first volley from the constabulary drove their enemy back, but they came on again and were again driven back. Once more they renewed the effort, and the leader, Captain Beyron, killed, jumped on the breastwork, saying to the constabulary, "We are here by appointment; keep your promises; kill your commanding officer." At this the constabulary hesitated and stopped firing for about thirty seconds, and only for Lieutenant Wakeley shooting this man the result would have been deplorable, as he might have won over the constabulary. On the fall of this leader the fighting was renewed vigorously on both sides. A party of bolomen, in the meantime, succeeded in getting inside the intrenchment from the side, getting into the guardhouse and securing two or three rifles, which they immediately turned on the constabulary. By this time 5 of the latter had been killed and 3 wounded, nearly all being shot from the right rear. The fighting now had lasted fully two hours, when Lieutenant Wakeley ordered a flank assault on the attackers, which succeeded well, and they were driven off, leaving 11 dead and 4 wounded,

3 of whom since died, making a total loss to the enemy of 18. Lieutenant Wakeley was slightly wounded on right hip, a Springfield bullet striking his belt and remaining there, exploding 13 Krag cartridges and knocking him senseless for a moment. Sergeant Agsilu, First-class Privates Magpale and Rodio, and second-class Privates Cariño, Lucas Menceros, Pascual, and Ubaña were killed and Private Sebastian and 2 others wounded.

Lieutenant Wakeley is deserving of the greatest praise for his signal courage and coolness in this desperate contest, and I earnestly recommend him for promotion at first opportunity. Sergeant Agsilu and his 7 companions were as brave men as ever fought under a flag.

The attack was marked by some skill and fanatical determination, met and only overcome by dogged pertinacity.

Lieutenant Wakeley desires to especially recommend First-class Private Maximo Dumlaog, who held an outpost against great odds during the fight. Through the good judgment and cool courage of this man the enemy were unable to flank the post from the rear, their being one column of the enemy sent to do so; First-class Private de la Cruz, who volunteered to take 2 men and flank the enemy, which he successfully accomplished; Second-class Private Julio de los Reyes, also member of flanking party; Second-class Private Sebastian, after being twice shot, second time seriously, not fatally; Second-class Private Clemente Lazaro and Second-class Private Juan Comilan. Lieutenant Wakeley recommends that if consistent these men be given medals for valor in the most critical point in the fight, when the enemy had the advantage and offered rewards if the constabulary would kill their leader and lay down their arms. He recommends that First-class Privates Aghual, Espanto, and Botid be mentioned in orders.

The constabulary lost 3 Springfield rifles and captured 2 Springfields, 1 Remington, besides bolos and clubs.

There was undoubtedly one traitor, Second-class Private Remigio Ferrer (and possibly First-class Private Joaquin Opiñano). The first was absent without leave until hour of attack, but was seen by Lieutenant Wakeley in rear and right of him and his men with a rifle. He confesses to having been there and of firing at his comrades. Taxed with the crime he says he was out of his head. He is now in carcel at San Isidro and will be charged with treason. Private Opiñano was in the guardhouse at time of attack, but did not take his place in the ranks, only leaving the guardhouse when he saw two of the enemy entering. Without the least resistance he gave them his rifle, saying he was afraid of them. Lieutenant Wakeley ordered him afterwards to bring a box of ammunition from the office. He refused, saying he could not on account of his sore wrist, and would have persisted in refusing only was afraid the lieutenant would use force. He is now in carcel and will be tried for treason, as it is probable that he and Ferrer were agreed to give up their rifles to the enemy.

After the fight the attackers dispersed in twos and threes, but reunited afterwards. One column of 60, commanded by Salvador, went toward Biacnabato, according to the story of a prisoner who was with him at San Jose and for one week previous and who heard Salvador tell the others he was going there and there would receive arms and supplies. One column of about 40, which I trailed for two days, is probably gone toward the Penaranda Mountains, and it is probable that a small column of Tarlac people went toward Cuyapo and Anao, as I received notice that Anao was attacked by Santa Iglesias on the 20th instant.

There were persons in the attack from Pampanga, Pangasinan, Bulacan, Tarlac, and Nueva Ecija, the latter being in the majority. All the population are in sympathy and the majority in some manner connected with this movement. The idea seems to be to get as many arms as possible, with a future view toward a general uprising.

The lawmakers ought to make some law making it a felony to a proven member of this organization.

They will be hounded to the end by the constabulary of this province.

Am very sorry that I could not forward this report sooner. I prepared it on the 20th at San Jose and left there the 21st, intending to mail it at San Isidro. Midway I struck a fresh trail, which I followed 21st and 22d, arriving at Talavera on 23d instant, late in the evening. The next mail for Manila left San Isidro on the 24th, so it could not go by that mail. I therefore kept it until to-day.

Very respectfully,

R. B. KAVANAGH,

Captain and Senior Inspector, Philippines Constabulary.

CHIEF FIRST DIVISION, PHILIPPINES CONSTABULARY,

Manila.

In October, 1903, Lieutenant Velasquez was sent from Bayombong, Nueva Viscaya, to complete the census of the mountain districts, under the supervision of the governor of that province. On the 6th of that month it was reported that he was attacked by a large number of Calingas and other Igorrote tribes. The following is the senior inspector's (Captain Williams) report on this affair:

[Telegram.]

BAYOMBONG, N. V., October 22-23, 1903.

CONFIRST, *Manila*.

Lieutenant Velasquez and party of 28 men reported here to-day. Most of party suffering with chills and fever and show marks of hardship and service. Lieutenant Velasquez makes the following report: At 9.30 a. m., October 6, in the district of Banafa, Isabela, while holding friendly conference with the following-named jefes of the Gaddan tribes, High Chief Tunit, of Caransao; Chiefs Dungaue, Jalangoy, Balanguia, and Sabio, of Banafa; Chiefs Gumbi and Nanbaung, of Antang, my detachment, consisting of myself and 30 men, were attacked by 500 to 600 Calingas and Ifugao Igorrotes, latter Botoc. My two sentinels were surprised by rush of 80 savages from dense underbrush. Second-class privates Buenaventura Alindayu and Mariano Gorales were sentinels and fatally wounded, Alindayu with spear and Gorales with pinaparing, in the charge before their comrades could give assistance. At first fire from sentinels the chiefs in the conference rose to their feet, pinaparing in hand. He (Velasquez) killed 6 of the 7 chiefs with his revolver, and the seventh with a pinaparing, while the soldiers were all engaged in a hand-to-hand fight, which lasted thirteen minutes, with the following result: Constabulary lost 2 men fatally wounded, 2 slightly wounded, and 2 Springfield carbines, and Lieutenant Velasquez lost Winchester carbine, his personal property. Calingas lost 53 killed, 30 or more wounded, 2 Remington rifles, 2 muzzle-loading shotguns, 3 flintlock guns, 5 Springfield carbines, cartridges, 1 pound gunpowder (made from pulverized match-heads), and 20 pounds rifle balls, 100, 13 pinaparings or head-axes, 3 bolos, 5 steel spears, 6 rodels of shields. Revolvers only were used by the constabulary in first attack—too close to use carbines. Calingas retreated to wooded mountains nearby and kept up hot fire with Krag, Mauser, Remingtons, flintlocks, and muzzle-loading guns of various kinds for about twenty-seven minutes. Their loss after taking to the woods is not known. After ceasing fire, burying the dead, and destroying all captured property, extra clothing, and rations, the constabulary began a retreat toward Mererao, but being completely surrounded were compelled to drop and shoot their way out. Five hundred to 600 Calingas and 30 constabulary were engaged October 7; had running fight from 6.30 to 8 a. m.; Calingas retreated, losing 30 killed and wounded. Three hundred Calingas and 28 constabulary were engaged October 8; had running fight from 6.30 to 8.30 a. m.; Calingas retreated, losing 9 killed and 7 wounded. Two hundred Calingas and 28 constabulary were engaged 7th and 8th; constabulary had no casualties, but were without food from 6th to 10th instant. All captured arms were broken, and with captured ammunition, all rations, and extra clothing were burned that nothing might fall into hands of the enemy. Lieutenant Velasquez recommends the following-named enlisted men for meritorious service, to take precedence as listed: Second-class Private Mariano Camonoyon, First-class Private Nicola Bayanton, Second-class Private Manuel Callueng, First Sergeant Boinardo Tumalium, Second-class Private Bernardo Dumlod, Corporal Jacinto Cadauan, Second-class Private Antonio Cruz, First-class Privates Dominto Guavad and Juan Birca, Second-class Private Alejandro Padasdao. I recommend for the good of the service that Lieut. Joaquin Velasquez and the 10 above-named men be awarded medals of valor as reward for bravery, their heroic courage and remarkable endurance. All members of the detachment deserve honorable mention.

WILLIAMS, *Consenior*.

Later investigation and the testimony of a large number of enlisted men present showed conclusively that a portion of Lieutenant Velasquez's report was false, and that this disturbance was brought on by his attempting to take certain guns away from these Igorrotes when he was sent there on a peaceful mission to take the census. In consequence, Lieutenant Velasquez was dismissed by the chief of constabulary.

In Rizal Province there is a small band under Macario Sakay, who poses as the presidente of the Philippine republic. This man was formerly a barber in Manila. He has about 6 guns and a following of a few additional men. Several times during the year this band has been located and a number of its members killed. Lieutenant Pitney, at Tanay, in March, struck this band about 8 miles north of that town and killed 19 of its members. Later, in May, 5 constabulary of Rizal Province, through a ruse, induced a number of this band to enter the town of Bosoboso, where 4 were killed. Recently they attempted to go into Bulacan, and were intercepted near Norzagaray by a detachment of constabulary under a sergeant of that province, and 4 were killed and 7 captured. In each instance some guns were captured. This band has committed no depredations beyond compelling the people to supply food. Sakay claims that he is not a ladrone but a patriot. Details of these affairs have been submitted in quarterly reports during the year.

Recently, in Pangasinan, the senior inspector unearthed the formation of a new Katipunan society, under the leadership of Pedro C. Gasig, who styled himself a captain-general. Quite a number of his followers were captured with what purported to be commissions in their pockets. These men are now in jail awaiting the action of the courts.

On the 23d of December, 1903, Artemio Ricarte, one of the irreconcilables deported to Guam and later brought to Manila with other prisoners from that island, refused to take the oath of allegiance and was not allowed to land. He has since spent his time in Hongkong, where he organized what is known as a Filipino junta, for the purpose of agitating a revolution in the islands. Prior to his returning to Manila clandestinely he was in correspondence with certain persons in and about Manila and had organized what he called a "revolutionary army," which consisted principally of brigadier-generals and colonels, the recruiting of privates not having been commenced. Immediately upon his landing it was discovered that he was in the islands, but he was at large until May, when he was captured in Mariveles, Bataan Province, by Lieutenant Heartt, of the constabulary, assisted by the presidente and clerk of the court. Immediately upon landing he called together his leaders and gave instructions for the organization of the revolutionary army, styling himself the "general in chief." He made a tour of Bulacan, Nueva Ecija, and Pampanga provinces, touching at certain towns. Almost immediately after his landing secret-service men of the information division commenced to gather in his "generals," and much credit is due the information bureau for its excellent work in this respect. Within thirty days after his landing practically all of his followers were in jail, and all have been sentenced for a term of years in Bilibid. A man by the name of Tolentino, who had been sentenced to imprisonment for writing and producing seditious plays in Manila, joined with Ricarte and styled himself the "dictator of the Philippines." This man was under a bond of \$3,500 at the time, which he jumped, and went with Ricarte to the bosque. Shortly after Ricarte's capture, Tolentino was also captured. Both of these worthies are now serving sentences in Bilibid prison. Additional charges will be preferred against Ricarte for being the instigator of certain mutinous conduct on the part of constabulary soldiers in Ilocos Sur in January of the present year. It appears that a detachment of soldiers from Ilocos Sur were serving in Pampanga Province; that Ricarte corresponded with Corporal Ayala and Private Calvo, inducing them to take steps to cause a mutiny in the garrison at Vigan upon their return to their province. These men foolishly attempted the same, having induced some twenty-odd constabulary, together with a lot of ignorant taos from the barrios around Vigan, Ilocos Sur, to join them. This party of mutineers, after robbing the commissary and helping themselves to guns, ammunition, clothing, etc., started out through the province, but were intercepted by scouts, constabulary, and American cavalry within the next few days. The entire outfit have been sentenced to long terms in Bilibid. The two soldiers above mentioned, one other soldier, and a civilian implicated in the matter were sentenced to death. I was acting chief of constabulary at the time and took personal command of the situation in Ilocos Sur until quiet was restored.

The details of this affair are set forth in a special report on file in the office of the chief of constabulary.

While the advent of Ricarte into the islands caused no serious disturbances, and it was clearly shown that the people of the islands did not sympathize with him and are not prepared for a revolution and do not desire one, still his capture had the effect of quieting a certain restlessness among the people in the provinces adjacent to Manila.

The authorized strength of the constabulary of this district during the past year has been 2,400. In addition, 18 companies of Philippine Scouts, assigned with the civil government, have been on duty in the district.

Under recent orders from the office of the chief of constabulary the authorized constabulary strength was reduced to 2,200, and a new scale of pay was ordered, making the pay of enlisted men more nearly uniform in the different provinces. Under present conditions the reduction was justified, and should conditions continue to improve it is believed that in time a further reduction can be effected. When we can substitute a smaller number of well-trained and disciplined men for numbers we will have made a great step in advance.

The term of enlistment of a large part of the constabulary has expired during the past few months, or will expire in the near future. In some provinces the majority are reenlisting, but in others less than 50 per cent.

It is impossible to report yet what the effect of reclassifying the pay will have. In some provinces the pay was slightly reduced. It is a well-known fact that a Filipino is always asking to have his pay raised, but generally quits his job when his pay is reduced, remains idle until he gets hungry, and is then happy to begin again at the foot of the ladder. Possibly the same effect may obtain with the constabulary in those provinces where the pay has been reduced. The constabulary soldier has learned to compare his pay with that of the scout, and the scout is grumbling because his pay is less than that of the American soldier.

The fact is, the scale of pay of the constabulary is believed to be about right, and even that is far more than they ever dreamed of receiving in the days of the Spaniards.

CLOTHING.

There has been some discussion as to whether or not the clothing allowance of 50 pesos is sufficient. I recently called for the views of the senior inspectors on this subject. A few thought it ample, but most of them thought it should be increased to 65 pesos, stating that where there was much field service it was not sufficient at present. Of course it is desired to have men at all times present a neat and soldierly appearance, and not be compelled when they go to the field to don a uniform in which they can take no pride. Smart clothes certainly stiffen a man's back and make him hold his head a few inches higher, and generally make him a little better man. This is particularly so of the Filipino. When we can reach the point where we can reduce in numbers, it is recommended that the clothing allowance be correspondingly increased.

SUBSISTENCE.

Beginning with the present calendar year the system of rationing the constabulary was changed. Prior to that time each soldier paid for his own food, and when in the field it was furnished him without charge. The men ate at tiendas or with their families. The first step as an improvement was to establish messes at nearly all stations in the district, the cost of same being deducted from the men's pay. It was found that this method of messing cost the soldier a little less, on an average, than 7 pesos.

Under this system the men improved in strength and health. Following this, the Commission appropriated 21 centavos per day for the purchase of a soldier's ration. This method is very flexible and has proven entirely satisfactory. In the provinces of this district it has cost less than this amount to feed the men. The result is a saving which constitutes a mess fund. In this district senior inspectors have been required to keep these savings as savings for each separate station, and not lump it as a provincial mess fund, for the reason that at some stations quite respectable savings are made, while at others nothing is saved. It was deemed but just to the men that such savings should accrue to the benefit of the men who made them.

Experience has shown that some officers have handled their messes splendidly, while others have performed this duty but indifferently. There has been marked improvement in this respect, and it is believed that we need have no further anxiety where stations are commanded by American officers. The native officer, with but few exceptions, has proven himself an indifferent caterer and an extremely poor manager and accountant in running these messes.

The system operates as follows: The supply officer of each province requisitions monthly for funds for subsistence of the men of his province. The senior inspector draws on him for funds for the entire province at the rate of 21 centavos per day for the month. The station commanders make purchases in open market or from the branch civil supply store, giving receipts for same, retaining a stub showing the transaction. These receipts are cashed by the senior inspector or, when more convenient, the station commander is given money by the senior inspector, on memorandum receipt, and he cashes his own receipts and turns them in to the senior inspector. Station commanders must keep a daily record of strength of station and submit a return to the senior inspector at end of month, showing proper accounting. These returns are consolidated by the senior inspector, who forwards them for audit to the district chief. While on detached service or in the field, where it is impracticable to mess the men, they may be given cash at the rate of 21 centavos per day.

The senior inspectors are authorized to expend the savings for the benefit of the men for such purposes as comforts about their mess, barracks, or dining room, or for extra articles of clothing for men who are in debt to the Government. They may also return the savings to the men if they so desire. Any other expenditures than these, of savings, must receive the sanction of the district chief. In all cases of expenditure the wishes of the men are ascertained, as it is regarded as their money, except as to its care and supervision.

During the five months from January 1 to May 31 the savings in provisions have ranged from a few pesos to upward of a thousand. In those provinces where there was a great deal of field service but little savings were made, and in one province, Cavite, where men were continually in the field and eating at numerous stations, some confusion of accounts resulted, but this confusion was due to the fact that several stations were commanded by native officers who were not competent to keep their accounts properly.

With proper care on the part of officers and attention to duty the system should work with entire satisfaction.

It would be a good thing if this system of rationing could be extended to scout companies. At present fully half the efficiency of these organizations is lost by detachments being compelled to return to their stations after three or four days to provide themselves with rations.

On the 23d of December, 1903, Artemio Ricarte, one of the irreconcilables deported to Guam and later brought to Manila with other prisoners from that island, refused to take the oath of allegiance and was not allowed to land. He has since spent his time in Hongkong, where he organized what is known as a Filipino junta, for the purpose of agitating a revolution in the islands. Prior to his returning to Manila clandestinely he was in correspondence with certain persons in and about Manila and had organized what he called a "revolutionary army," which consisted principally of brigadier-generals and colonels, the recruiting of privates not having been commenced. Immediately upon his landing it was discovered that he was in the islands, but he was at large until May, when he was captured in Mariveles, Bataan Province, by Lieutenant Heartt, of the constabulary, assisted by the presidente and clerk of the court. Immediately upon landing he called together his leaders and gave instructions for the organization of the revolutionary army, styling himself the "general in chief." He made a tour of Bulacan, Nueva Ecija, and Pampanga provinces, touching at certain towns. Almost immediately after his landing secret-service men of the information division commenced to gather in his "generals," and much credit is due the information bureau for its excellent work in this respect. Within thirty days after his landing practically all of his followers were in jail, and all have been sentenced for a term of years in Bilibid. A man by the name of Tolentino, who had been sentenced to imprisonment for writing and producing seditious plays in Manila, joined with Ricarte and styled himself the "dictator of the Philippines." This man was under a bond of \$3,500 at the time, which he jumped, and went with Ricarte to the bosque. Shortly after Ricarte's capture, Tolentino was also captured. Both of these worthies are now serving sentences in Bilibid prison. Additional charges will be preferred against Ricarte for being the instigator of certain mutinous conduct on the part of constabulary soldiers in Ilocos Sur in January of the present year. It appears that a detachment of soldiers from Ilocos Sur were serving in Pampanga Province; that Ricarte corresponded with Corporal Ayala and Private Calvo, inducing them to take steps to cause a mutiny in the garrison at Vigan upon their return to their province. These men foolishly attempted the same, having induced some twenty-odd constabulary, together with a lot of ignorant taos from the barrios around Vigan, Ilocos Sur, to join them. This party of mutineers, after robbing the commissary and helping themselves to guns, ammunition, clothing, etc., started out through the province, but were intercepted by scouts, constabulary, and American cavalry within the next few days. The entire outfit have been sentenced to long terms in Bilibid. The two soldiers above mentioned, one other soldier, and a civilian implicated in the matter were sentenced to death. I was acting chief of constabulary at the time and took personal command of the situation in Ilocos Sur until quiet was restored.

The details of this affair are set forth in a special report on file in the office of the chief of constabulary.

While the advent of Ricarte into the islands caused no serious disturbances, and it was clearly shown that the people of the islands did not sympathize with him and are not prepared for a revolution and do not desire one, still his capture had the effect of quieting a certain restlessness among the people in the provinces adjacent to Manila.

The authorized strength of the constabulary of this district during the past year has been 2,400. In addition, 18 companies of Philippine Scouts, assigned with the civil government, have been on duty in the district.

Under recent orders from the office of the chief of constabulary the authorized constabulary strength was reduced to 2,200, and a new scale of pay was ordered, making the pay of enlisted men more nearly uniform in the different provinces. Under present conditions the reduction was justified, and should conditions continue to improve it is believed that in time a further reduction can be effected. When we can substitute a smaller number of well-trained and disciplined men for numbers we will have made a great step in advance.

The term of enlistment of a large part of the constabulary has expired during the past few months, or will expire in the near future. In some provinces the majority are reenlisting, but in others less than 50 per cent.

It is impossible to report yet what the effect of reclassifying the pay will have. In some provinces the pay was slightly reduced. It is a well-known fact that a Filipino is always asking to have his pay raised, but generally quits his job when his pay is reduced, remains idle until he gets hungry, and is then happy to begin again at the foot of the ladder. Possibly the same effect may obtain with the constabulary in those provinces where the pay has been reduced. The constabulary soldier has learned to compare his pay with that of the scout, and the scout is grumbling because his pay is less than that of the American soldier.

The fact is, the scale of pay of the constabulary is believed to be about right, and even that is far more than they ever dreamed of receiving in the days of the Spaniards.

CLOTHING.

There has been some discussion as to whether or not the clothing allowance of 50 pesos is sufficient. I recently called for the views of the senior inspectors on this subject. A few thought it ample, but most of them thought it should be increased to 65 pesos, stating that where there was much field service it was not sufficient at present. Of course it is desired to have men at all times present a neat and soldierly appearance, and not be compelled when they go to the field to don a uniform in which they can take no pride. Smart clothes certainly stiffen a man's back and make him hold his head a few inches higher, and generally make him a little better man. This is particularly so of the Filipino. When we can reach the point where we can reduce in numbers, it is recommended that the clothing allowance be correspondingly increased.

SUBSISTENCE.

Beginning with the present calendar year the system of rationing the constabulary was changed. Prior to that time each soldier paid for his own food, and when in the field it was furnished him without charge. The men ate at tiendas or with their families. The first step as an improvement was to establish messes at nearly all stations in the district, the cost of same being deducted from the men's pay. It was found that this method of messing cost the soldier a little less, on an average, than 7 pesos.

Under this system the men improved in strength and health. Following this, the Commission appropriated 21 centavos per day for the purchase of a soldier's ration. This method is very flexible and has proven entirely satisfactory. In the provinces of this district it has cost less than this amount to feed the men. The result is a saving which constitutes a mess fund. In this district senior inspectors have been required to keep these savings as savings for each separate station, and not lump it as a provincial mess fund, for the reason that at some stations quite respectable savings are made, while at others nothing is saved. It was deemed but just to the men that such savings should accrue to the benefit of the men who made them.

Experience has shown that some officers have handled their messes splendidly, while others have performed this duty but indifferently. There has been marked improvement in this respect, and it is believed that we need have no further anxiety where stations are commanded by American officers. The native officer, with but few exceptions, has proven himself an indifferent caterer and an extremely poor manager and accountant in running these messes.

The system operates as follows: The supply officer of each province requisitions monthly for funds for subsistence of the men of his province. The senior inspector draws on him for funds for the entire province at the rate of 21 centavos per day for the month. The station commanders make purchases in open market or from the branch civil supply store, giving receipts for same, retaining a stub showing the transaction. These receipts are cashed by the senior inspector or, when more convenient, the station commander is given money by the senior inspector, on memorandum receipt, and he cashes his own receipts and turns them in to the senior inspector. Station commanders must keep a daily record of strength of station and submit a return to the senior inspector at end of month, showing proper accounting. These returns are consolidated by the senior inspector, who forwards them for audit to the district chief. While on detached service or in the field, where it is impracticable to mess the men, they may be given cash at the rate of 21 centavos per day.

The senior inspectors are authorized to expend the savings for the benefit of the men for such purposes as comforts about their mess, barracks, or dining room, or for extra articles of clothing for men who are in debt to the Government. They may also return the savings to the men if they so desire. Any other expenditures than these, of savings, must receive the sanction of the district chief. In all cases of expenditure the wishes of the men are ascertained, as it is regarded as their money, except as to its care and supervision.

During the five months from January 1 to May 31 the savings in provisions have ranged from a few pesos to upward of a thousand. In those provinces where there was a great deal of field service but little savings were made, and in one province, Cavite, where men were continually in the field and eating at numerous stations, some confusion of accounts resulted, but this confusion was due to the fact that several stations were commanded by native officers who were not competent to keep their accounts properly.

With proper care on the part of officers and attention to duty the system should work with entire satisfaction.

It would be a good thing if this system of rationing could be extended to scout companies. At present fully half the efficiency of these organizations is lost by detachments being compelled to return to their stations after three or four days to provide themselves with rations.

MEDICAL CORPS.

During the year a medical corps for the constabulary was established on a small scale. In the first district it now consists of 1 surgeon, 2 medical inspectors, and 17 hospital corps men. In the first district a hospital has been established at Tarlac, and medical inspectors are stationed at Tarlac and Manila, with hospital corps men at stations, as shown in appended list of stations. The superintendent of the medical division is also surgeon of the first district. He will submit his report direct to the chief of constabulary, therefore no details will be mentioned in this report.

The medical division in the district has done a great deal of good, and its extension is a matter to be determined by the needs of the service and money that is appropriated. A supply of medicines is kept at most stations in the district, and the simple complaints are attended to by hospital corps men, the more serious ones by medical officers being sent to stations, and in cases where hospital treatment is necessary the patients are sent to Tarlac, the civil hospital in Manila, or the nearest army station. At several of the posts simple wards, with a few conveniences, are arranged. There has been a great demand for a hospital in Nueva Viscaya, it being an extremely isolated place with no doctor in the province. After some discussion as to the feasibility of the board of health establishing one, it was finally decided by the civil governor that the constabulary should do so. In a very short time one will be in operation there, and it will prove a great source of comfort and relief to the constabulary and civil government employes, both native and American, in that isolated district.

It is believed that by judicious combination the work of the board of health and the medical work of the constabulary can be combined in the provinces with benefit and economy to the government.

TELEGRAPH DIVISION.

The work of this division has been largely extended in the district during the year. Several lines have been taken over from the army, much construction and repair accomplished, and lines extended. A large majority of stations in the district are now connected by wire, and it is possible for district headquarters to communicate with nearly all stations in Cavite, Batangas, Rizal, Laguna, and Bulacan by telephone, and with most others by telegraph. This has facilitated the work of apprehending outlaws very materially, and has enabled us to accomplish much work that otherwise would have been next to impossible.

There are serving in the district 4 telegraph inspectors, 16 American operators, 19 native operators, 9 American linemen, and 9 native linemen at stations as shown in appendix.

Native telegraph operators and linemen are doing fairly good work, and in time will be able to handle all but the more important stations.

TRANSPORTATION.

Transportation facilities have been much improved during the year. In a number of provinces mules and light wagons or rowboats have been supplied, thus facilitating delivery of supplies with economy to the government. It is to be hoped that the next appropriation will enable us to further provide similar transportation.

BARRACKS AND QUARTERS.

Constabulary occupy public buildings at but few places in the district; therefore the rent of houses for barracks and quarters for officers means quite a draft on the appropriation. Private houses are generally not adapted to quarters for troops, and it is believed that the time has arrived when steps should be taken to spend a few thousand dollars annually in the construction of suitable quarters at such points as there will unquestionably be a station maintained for a long period.

The constabulary has developed into an organization of permanency and importance in the islands far beyond what was expected at the time of its organization, and it becomes necessary to provide suitable quarters for sheltering it with comfort and economy.

SCHOOLS.

General Orders, No. 82, headquarters Philippines Constabulary, series 1903, outlined a course of instruction for enlisted men. This order was amended by General Orders, No. 75, headquarters Philippines Constabulary, series 1904, which is more comprehensive. Considerable progress has been made at many stations, but field work in the first district has retarded progress very materially. As conditions improve, facilities and opportunities for teaching will become greater, and it is believed that generally much good will be accomplished. So far instruction has been confined to teaching English, reading and writing, and map reading, some effort at route sketching, drill, orders and acts affecting the constabulary, how to serve warrants, and how to present cases to justices of the peace.

Some progress has been made.

MUNICIPAL POLICE.

There has been some improvement in the municipal police of a few of the provinces. They have been placed under the orders of the senior inspector, a system of regulations adopted and in some cases noncommissioned officers detailed to drill them. In other provinces they continue to be useless and worthless, largely due to the fact that they are principally used as muchachos for the presidente and other municipal officials, being improperly clad and poorly paid. After a fair trial, if there be not a marked improvement, a recommendation will be made to take up the arms in their hands and limit the towns to such number as may be needed about the municipal building and to be used as messengers. Arms are in their hands as follows: Rifles, 869; shotguns, 996, and revolvers, 646. These are bonded and are comparatively safe, but we are continually in fear of their being robbed of these arms by outlaw bands. In some places they have been extremely careless with the ammunition furnished them, and there is reason to believe that in certain localities ladrones have been supplied with the ammunition which is missing.

Where aid is asked of the insular government it is believed that it would generally be better to increase the constabulary by that number and take care of the town in that way.

In the province of Rizal there is not an armed policeman and it is about the quietest province in the islands. At certain points shotguns should be kept in the hands of police to prevent carabao stealing.

LAUNCH.

The *Suerte*, which is at the disposal of the district chief, will, I am informed by the chief of the bureau of coast guard and transportation, fall to pieces some day and leave us without water transportation. This should be forestalled by the supply of a good, roomy launch with shallow draft.

This boat does an immense amount of work by supplying stations on the lake and bay, towing all cascoes with supplies for the quartermaster to vessels in the bay, and by transferring troops from place to place. The services of such a launch are indispensable.

MIXTURE OF TRIBES IN PROVINCES.

It is believed that beneficial results will obtain by authorizing the enlistment of one-half the strength of constabulary of provinces in certain places from natives of a tribe different from the inhabitants of the particular province. This may have the effect of preventing local and tribal contaminations. It is questionable if disturbances such as the one in Ilocos Sur would occur if this mixture of tribes were authorized. Such disturbances, if repeated, would give the constabulary a "black eye" in the minds of many people here and in the United States, whether it was deserved or not.

RELIGIOUS QUESTION.

Leaving out the question of religious fanatics and their organizations, there is still considerable agitation in certain parts of the islands over Aglipay and his independent church. He and his followers are believed by many people to be nothing more or less than a political organization. Whatever this organization may develop into I am by no means prepared to believe that at present the organization has politics or revolution as its object. It is true that this church has gathered into its fold the restless and disturbing element. It is but natural that such people would join such an organization. While there is religious dissension, one party or the other is bound to regale us with the misdeeds of its religious enemies, and neither can go far wrong without our knowing it.

A few disturbances of a minor nature have occurred, necessitating the constabulary or scouts taking a hand to keep the peace, but these are rare and scarcely worthy of mention.

TORTURE OF VICTIMS.

There have been a few cases of inhuman treatment and torture of victims by outlaws. The presidente of Bosoboso, Rizal, and a resident of a barrio in Cavite were captured and the tendons back of the heels cut in such way as to cripple the men for life. One man in Cavite had his lips cut off and a woman in Bulacan had her ears similarly treated.

Two secret-service men were hanged in Cavite and 2 murdered in Bulacan. The culprits in several of these cases have been captured.

Such acts as these intimidate the people in the vicinity, and unless we can give them protection they will not give us information.

TARGET PRACTICE.

Aiming and sighting drill has constituted part of the drill in all provinces, and in two or three there has been some target practice. The results are not highly satisfactory, but with the limited expenditure of ammunition no great results could be expected. The practice held included 500 yards.

STUDY OF NATIVE DIALECTS.

It is believed that an incentive should be held out to those constabulary officers who qualify themselves in the native dialects, by giving them a prize in money or an increase of monthly pay. The value of an officer is almost doubled who can converse freely with natives in the community where he is operating.

PERSONNEL OF CONSTABULARY OFFICERS AND PAY.

The variety of duties which a constabulary officer is required to perform is of such a varied nature that he should be a man of intelligence, high spirit, honest, conservative, and firm, but not brutal or cruel. Far more varied and delicate duties are required of him than of an army officer serving with troops. "You can't make a silk purse from a sow's ear;" we must, therefore, get rid of unsuitable material and substitute men of proper intellectual and moral fiber to properly perform these duties. Such men are not cheap, and if we get them and expect to keep them we must pay them commensurate with the work required and equal to men of corresponding type and equally important duties in other branches of the government and in commercial life.

We are continually losing men by transfer to other bureaus, where they get more pay, and by resignation to accept more lucrative positions.

Officers and men of both constabulary and scouts in the district have generally performed their duties with loyalty and discretion. They have had much hard work, and have performed it cheerfully and well. This is shown by results which are tabulated in the appendices to this report. The details have been reported upon in my quarterly reports.

Conditions in the district have improved during the year materially, and while I feel that there is much left to be accomplished I realize that there is much improvement.

With less field work in future in pursuit of organized bands of outlaws we can turn our attention more to minor depredations and break up petty robberies, gambling, and the stealing of animals. One of the great drawbacks that we will encounter in this will be the dishonesty of municipal officials. If we could get clean administration the rest would be easy.

The paper work in the district office has been arduous and the limited forces in the adjutant's and district supply officers' offices have had all they possibly could attend to. I am indebted to Lieutenants Clausen, the adjutant, and Leonard, the supply officer, for efficient and loyal services in their respective departments.

I regret to report that ill health has caused my stenographer, Mr. D. G. Dwyre, to tender his resignation for the purpose of returning to the United States. His services have been efficiently and faithfully performed.

During the entire year I have commanded the first district and, in addition, from December 23, 1903, to May 7, 1904, was acting as chief of constabulary.

There has been some talk to the effect that scouts and constabulary are at enmity with each other. Where such reports originated I am unable to say, but such has not been my observation, nor have I received more than one complaint on the subject. This was more of a personal nature, when one province appeared to be too small to hold a senior inspector and commanding officer of a company of scouts, both Irishmen. A warning to them that if their differences were not amicably settled at once they would both be assigned to other stations had the desired effect.

As a fact, most senior inspectors have emphasized the fact that they have received every aid from scout officers.

It is but natural that the two organizations should work in harmony. Enlisted men of both organizations are drawn from the same source, and the officers from both are largely from the army, where many were warm personal friends.

Whether the two organizations should be combined into one insular army is a question open to argument. There are good reasons for and against this amalgamation. The views of the writer on this subject have been submitted to the chief of constabulary. The present arrangement is accomplishing good results, as shown by tabulated appendices to this report. It can well be foreseen that we will, in addition to the Regular Army, always have to maintain in these islands an organization composed of natives, for a peculiar class of work for which it is neither advisable nor convenient to use the Regular Army. This organization must also be officered by men who have learned by experience the peculiar and varied work which will devolve upon them.

I am fully prepared to show that the efficiency of scout organizations in the first district has been materially improved by the services which they have been called upon to perform since February, 1903, with the civil government, in assisting in maintaining the peace, in conjunction with the constabulary. Officers have become proficient in the multitudinous duties which have devolved upon them through the best of schools, experience.

The men have learned to be self-reliant and capable of caring for themselves in the field. The noncommissioned officers have learned the duties of scouting, making arrests, and handling prisoners while keeping within the confines of the civil laws.

Both officers and men are in good physical condition and hardened by field service. The benefits of this were brought especially to my notice last winter, while operating in the field in Ilocos Sur, where scout organizations were thrown together which had, and had not, been performing this duty.

I wish also to call attention to the fact that two officers with a company, while performing this duty, are insufficient. The companies must necessarily serve much of the time in detachments away from the headquarters of the company. Such detachments of native troops should be commanded by an officer.

These companies should, by all means, have three officers.

Again, many of the scout officers have been serving in the Philippines from four to five years, and are deserving of a leave.

If these companies were organized into battalions and those of same battalion assigned to contiguous sections of country, and majors appointed to take command and supervision of same, it is believed that the effect would be most beneficial.

Very respectfully,

W. S. SCOTT,

*Colonel and First Assistant Chief, Philippine Constabulary,
Commanding First District.*

THE ADJUTANT-GENERAL PHILIPPINES CONSTABULARY,
Manila, P. I.

Arms and ammunition captured by the Philippine Scouts in first constabulary district.

Company.	Rifles.	Shot-guns.	Revolvers.	Ammunition.	Bolos.
First.....	16	—	4	1,850	—
Fifth.....	8	—	2	105	—
Seventh.....	3	—	1	—	6
Thirteenth.....	14	—	6	3,856	—
Nineteenth.....	4	1	—	—	—
Twenty-first.....	1	1	2	31	—
Twenty-fifth.....	3	—	—	40	5
Twenty-ninth.....	—	—	2	50	—
Total.....	49	2	17	5,932	40

Work accomplished by the Philippine Scouts in the first constabulary district.

Company.	Miles covered, approximately.	Engagements.	Outlaws killed.	Outlaws wounded.	Outlaws captured.	Horses captured and recovered.	Carabaos captured and recovered.
First.....	1,480	—	—	—	22	5	—
Second.....	1,773	—	—	—	41	—	—
Third.....	260	—	1	—	7	—	—
Fifth.....	2,051	—	1	—	79	—	7
Sixth.....	69	—	—	—	—	—	—
Seventh.....	1,797	—	—	—	28	24	—
Eighth.....	—	—	5	11	31	7	6
Eleventh.....	358	—	—	—	—	—	—
Thirteenth.....	2,753	—	23	7	35	—	—
Nineteenth.....	1,000	2	4	—	12	—	—
Twenty-first.....	1,651	1	1	—	9	—	—
Twenty-second.....	2,352	—	—	—	4	—	—
Twenty-third.....	319	1	—	—	—	—	—
Twenty-fifth.....	1,410	2	12	8	2	11	4
Twenty-ninth.....	1,423	4	—	—	4	13	8
Forty-fifth.....	850	—	—	—	20	—	—
Total.....	19,346	10	47	26	274	60	25

Articles captured and recovered by the municipal police in the first constabulary district.

Province.	Rifles.	Carbines.	Shot-guns.	Revolv-ers.	Bolos.	Horses.	Carabaos.	Bulls.
Batangas.....	1	1		6		12	6	4
Bulacan.....	4			3	6			
Laguna.....	5							
Pangasinan.....			2					
Tarlac.....	1							
Zambales.....	3							
Total.....	14	1	2	9	6	12	6	4

Work accomplished by subdivisions of information in Cavite and Batangas provinces.

Captured:	
Rifles.....	4
Revolvers.....	16
Bolos.....	4
Shotgun.....	1
Rounds of ammunition.....	5,000
Captured and recovered:	
Carabaos.....	61
Horses.....	11
Captured and convicted:	
Outlaws.....	107

Property captured and recovered by the constabulary in the first constabulary district.

	Province.												
	Bataan.	Batangas.	Bulacan.	Cavite.	Laguna.	Nueva Ecija.	Nueva Viscaya.	Pampanga.	Pangasinan.	Rizal.	Tarlac.	Zambales.	Total.
Rifles.....	11	17	16	8	18	15	4	8	1	13	11	7	129
Carbines.....		1		1				1		2	1	2	8
Shotguns.....	1	9	3	2	34	4	3	1		3			60
Revolvers.....	7	12	12	10	16	10		4	4	14	5	1	95
Daggers.....		4							5	8			17
Lances.....							8		4			7	19
Bolos.....		29	7	15			7		22			14	94
Ammunition (rounds).....		820	206	87	518	120		51	50	380			2,324
Horses.....		62	5	53	51			2	13	1	1	10	198
Bulls.....		8											8
Carabaos.....		38	23	110	14	44		5	14	15	50	21	334
Carromatas.....			1										1
Bull carts.....			1										1
Brass cannons.....					1								1
Saddles.....												1	1
Gold watch and chain.....									1				1
Stolen church property (Philippine currency).....										150			150

Miscellaneous report of the first constabulary district.

	Province.												Total.
	Bataan.	Batangas.	Bulacan.	Cavite.	Laguna.	Nueva Ecija.	Nueva Viscaya.	Pampanga.	Pangasinan.	Rizal.	Tarlac.	Zambales.	
Prisoners sentenced to less than 2 years.....	3	43	57	5		24	2	110	61	15	18	9	347
Prisoners sent to Bilibid.....	30	112	75	200			1	14	69	95	53		649
Casualties:													
Constabulary—													
Killed.....	1	1		1	3	9	2	1	1	1			20
Wounded.....	1	3		5		1	2		2			1	15
Municipal police—													
Killed.....						1			1				2
Wounded.....						1			2				3
Captured.....								1					1
Loss of arms:													
Constabulary—													
Carbines.....	1	3		1	4		2	7		2	2	2	24
Shotguns.....								2					2
Revolvers.....		1						6	1	2	1	1	12
Municipal police—													
Rifles.....					4					1	1		6
Shotguns.....		9							2				11
Revolvers.....									2				2
Cases awaiting trial.....	1	31	84	60	22	9	3	49	30	3	4		296
Convictions.....	7		146	265	43	17	2	115	2	70	12		679
Acquittals.....			49	66	18	8	10	20	12	16	26		225
Investigations pending.....	1	1			2	13	3		3		11		34
Descriptive reports of individuals made.....	35	3	94			4						11	147
Escorts furnished.....	13	8	25	60	24	69	34	22	54	18		25	352
Deserters apprehended.....			7	1	2			1	1	1			13
Crimes reported.....		18		180	235		4	3	5	14	119		578
Miles of telegraph or telephone line in provinces.....	32	136	101	104	110	117	53	156	175	200	30	207	1,421
Enlisted men marked sick during the year.....	120	108	61	98		6	86	1,817		185	922		3,403
Cases sickness treated in hospitals.....		9	12	70		9	1		2	94	1,121	4	1,322
Prisoners confined in provincial jails during fiscal year.....	32	140	159	331	187	68	3	171	363	85	121	19	1,688
Prisoners sentenced to more than 2 years.....	11	91	76	200	98	17		14	108	15	2	6	658

Report of expeditions by the Philippines constabulary in the first constabulary district.

	Province.												
	Bataan.	Batangas.	Bulacan.	Cavite.	Laguna.	Nueva Ecija.	Nueva Viscaya.	Pampanga.	Pangasinan.	Rizal.	Tarlac.	Zambales.	Total.
Expeditions.....	40	270	271	1,400	297	12	36	151	1,077	162	137	166	3,849
Miles covered by patrols and expeditions.....	2,139	5,993	3,703	2,200	5,505	1,721	2,476	3,527	9,784	5,030	8,220	2,578	52,875
Engagements.....	4	35	1	42	8	7	1	.....	2	4	2	5	111
Outlaws killed.....	14	84	4	20	12	18	10	.....	1	10	5	3	191
Outlaws wounded.....	4	34	4	30	12	5	.....	.....	4	.....	.....	1	94
Outlaws captured..	16	169	121	331	45	24	.....	45	22	46	53	59	931

REPORT OF THE SECOND DISTRICT, PHILIPPINES CONSTABULARY.

HEADQUARTERS SECOND DISTRICT, PHILIPPINES CONSTABULARY,

Lucena, P. I., June 25, 1904.

SIR: In compliance with your telegraphic instructions of May 19, 1904, I have the honor to submit the following annual report on the operations, occurrences, and conditions in this district for the fiscal year ending June 30, 1904:

The second district, Philippines Constabulary, at present comprises the provinces of—

	Estimated population.
Albay.....	250,000
Ambos Camarines.....	240,000
Masbate.....	45,000
Mindoro.....	50,000
Romblon.....	60,000
Sorsogon.....	140,000
Tayabas.....	215,000
Total.....	1,000,000

Throughout the year the undersigned has been in actual command of the district. Capt. Edward R. Higgins served as district adjutant from June 1, 1903, to October 17, 1903; First Lieut. W. B. Wright, from October 18, 1903, to January 17, 1904, and First Lieut. Charles D. Boone, from January 18, 1904, to the present date. Capt. Justice M. Wheate, surgeon, throughout the year has served as district surgeon, and Second Lieut. Guy C. Foote as district supply officer from September 7, 1903, to the present date. Charles S. Darling has served since March 17, 1904, as stenographer, and James B. McKowen as clerk since December 6, 1903. All the officers and employees on duty at district headquarters have shown themselves to be conscientious, capable, and most zealous in the performance of their duties.

At the time of rendering my annual report of June 30, 1903, the entire district, barring the two island provinces of Romblon and Masbate, was in a very badly disturbed condition. In Mindoro the band of Gasie was still in the bosques, with no immediate prospects of its capture; on the main island of Luzon, Tayabas Province continued to have a few scattered groups of ladrones; Avila was hovering along the northern Camarines border; and Albay had four distinct and separately organized bands within its territory, these, in the order of their importance, being those of Simeón Olá, Lázaro Toledo, Agustín Saria, and Titio Sacula. There were in addition a few small bands along the northern portion of Sorsogon Province, but this portion was also badly overrun by the Albay ladrones.

The following is a synopsis of the more important events by provinces:

ALBAY.

On June 30, 1903, nearly all the towns of this province were reconcentrated, and both the constabulary and scouts were constantly engaged in an active campaign against the four large ladrone bands within her borders. These numbered over 1,000 men, mostly armed with bolos and with about 150 firearms, according to our information. Ladronism had so long been rampant in the province of Albay and had assumed such stupendous proportions, especially after the ladrones had captured the 47 Springfield carbines in the hands of the volunteers and constabulary of Oas, that the leaders had become most arrogant, and, on account of their successes, had won over the sympathy and secured the cooperation of nearly the entire province.

In March, 1903, Col. D. J. Baker, jr., assistant chief, Philippines Constabulary, was sent to Albay, and after a careful examination of the situation ordered and enforced a reconcentration of the affected towns. Shortly after Colonel Baker's arrival his troops succeeded in killing Máximo Rejel, one of Olá's favorite officers, who had conceived and executed the assault on the town of Oas. Upon relieving Colonel Baker of command I informed myself as to his arrangements, in order that by adhering to them as closely as possible the natives could see that our policy was not a vacillating one. I first arrived in Albay in June, 1903.

Reconcentration, as initiated in Albay by Colonel Baker and carried out by me, was the only system by which the situation in that province could have been handled, and I was very fortunate indeed to find it under such perfect headway under my predecessor when I assumed charge. With the comparatively small number of troops at our disposal, with the extent of territory and the large number of towns to be covered, and considering the superior strength of the enemy, it will be seen that the reconcentration could be such only in name.

One gentleman, Doctor Dougherty, who had recently arrived in the Philippines from the States for the purpose of independently investigating the conditions in these islands, arrived at Albay under the natural impression that there must be a great deal of suffering attendant upon any reconcentration. I invited him to go up the line in such company as he might select, with permission to investigate into everything, and requested him to report to me any case of starvation which could have been avoided or any case of abuse. He reported none whatever. If anyone suffered from hunger, he had only himself to blame, as arrangements were made by which all the people in any of the concentrated towns could work on the roads and receive more than a sufficient quantity of rice for their subsistence. Considering that towns with a population of 15,000 seldom had a garrison of 100 men, the impossibility of establishing a "dead line" or cordon about any such town can readily be seen. The reconcentration was enforced mainly by scouring the immediate vicinity of the towns by small patrols, and arresting all who were found beyond the prescribed limits. There was no merciless shooting down of defenseless people, even when they went beyond limits; they were simply arrested when possible and sent before the courts.

The object of this reconcentration was to prevent the *ladrones* from receiving supplies and assistance from the people of the *barrios*, and it was the only means by which this could have been accomplished. The moment *Oli* surrendered the reconcentration was raised and the people permitted to return to their homes.

At my urgent request Vice-Governor Wright and Commissioner Tavera visited the province of Albay during the fore part of the month of July, 1903, and promptly dispelled many illusions the people had held in regard to the treatment they might expect. Until this time they imagined that any complaints they made to the insular authorities regarding the conduct of the campaign would be believed and that the officer in charge of operations would be relieved whenever they so requested. As a direct and immediate result of the visit of Governor Wright and Commissioner Tavera there was a marked difference in the attitude of the more influential people, and it was apparent that they finally realized that they could hope for nothing until "*bandolerismo*" had been stamped out, and that indifference on their part was considered equivalent to sympathizing with the bandits.

During October and November, 1902, an armistice of forty days was granted *Oli*, with a suspension of hostilities, which afforded him an opportunity to recruit and recuperate. About the middle of November Major Garwood had a conference with him, which resulted only in a resumption of hostilities. In his captured correspondence *Oli* refers to this conference as an event during which nothing of importance took place and which he had participated in solely for political purposes. During the following February the bandits had secured at *Oas* the 47 carbines before alluded to, and with other small captures had increased their forces until it had attained the size previously mentioned.

The first really important and decisive engagement of the campaign after my arrival took place at the town of Jovellar. This town was garrisoned by a detachment of the Thirty-first Company, Philippine Scouts, and on July 15 was attacked by the major portion of *Oli*'s entire band, numbering 60 guns and 250 bolomen. At the time of the attack the town was defended by only 24 scouts, under Sergt. Nicolas Napolis, with a very limited quantity of ammunition. For three hours this little band stood off the persistent attack of twelve times their number, and I know of no instance in which native troops, commanded by a native noncommissioned officer, exhibited equal skill and bravery during an engagement of this magnitude. When their ammunition was nearly exhausted, Sergeant Napolis resorted to a ruse in order to deceive the attackers as to his really critical condition. He had two of his men make a dash for an adjoining house and bring back a candle box. When the men had returned, the scouts made a great pretense of breaking open this box, as though for additional ammunition, at the same time defying the enemy and daring them to advance. This caused a lull in the attack, and in the meantime Lieutenant Sutherland, with a detachment of 25 scouts, and Lieutenant Sommer, with an equal number of constabulary, appeared on the scene and completely routed the attacking party, driving them in a demoralized condition to the hills. They left 15 dead on the field, and afterwards confessed to having had 20 killed and 30 wounded. During this engagement the gallant defenders unfortunately lost 1 killed and 2 wounded. After his surrender *Oli* told me he had never dreamed of encountering such a stubborn resistance and that he expected a bloodless victory. He stated that the scouts throughout the attack scoffed at them and dared them to come on. Sergeant Napolis, I understand, is to receive a certificate of merit for his magnificent conduct on this occasion.

Taking advantage of the demoralized condition of *Oli*'s band after the Jovellar fight, I diminished the size of our field detachments, in order that the number of such might be increased. By this means the territory was much more completely covered and more thoroughly scoured, and the *ladrones* were so constantly harassed that they became discouraged and completely worn-out. This system soon began to bear fruit in the rapidly increasing surrenders of bolomen, of whom nearly 300 surrendered to Lieutenant Paegelow at Guinobatan alone.

On August 4 Sergeant Japon and 25 constabulary, while in camp, were attacked by Olá's bolomen, who suffered a severe defeat, leaving 15 dead on the field. On August 10 the same sergeant struck Olá's band and killed 12, 1 constabulary soldier being wounded in the cheek during the engagement. Shortly after this fight Sergeant Japon was promoted to subinspector. August 15 Lieutenant McCloud, with 9 constabulary, had a series of little engagements with ladrones, killing 6 and capturing 4. On this same date Lieutenant Carothers, constabulary, engaged the band of Tito Sacula, killing 3 of them. On the 18th Lieutenant McCloud, with a detachment of constabulary, surprised and completely routed a band of ladrones near Buena Vista, killing 23 and capturing 20. On August 24 Subinspector Japon and 30 constabulary engaged Olá's band between Molabos and Buena Vista, killing 23 bolomen and capturing 1 prisoner and 1 rifle. On September 15 Sergeant Short, with a constabulary detachment, defeated Toledo, killing 4 ladrones, capturing 1, and capturing 4 guns.

As a result of the Jovellar fight the spirit of our opponents seemed to be broken, and the remarkably small number of casualties among the scouts and constabulary was due to the half-hearted resistance of their enemies. After these successful engagements it was practically impossible to force the ladrones to fight at all. They were frequently surprised and many killed, wounded, and captured, but they did no more fighting worth mentioning.

In my experience I have never seen such an aggressive lot of bolomen as were those of Olá. They invariably formed his outposts, and covered such a large front that it was almost impossible to surprise his riflemen. On the offensive they could also be used to great advantage in the thick hemp fields of Albay. When these bolomen commenced to surrender the outpost duty fell upon the riflemen, and the heavy strain of guard duty soon broke them down. Nearly all of the men in the different bands when they surrendered were emaciated and covered with tropical sores, some of them having ulcers on their legs into which a man's fist could be thrust.

Toward the end of September I permitted Eligio Arboleda, the newly appointed presidente of Guinobatan, and a cousin of Simeón Olá, to enter into communication with the latter, whom I believed by this time to have been whipped into a reasonable mood. This culminated in his expressing a desire for a conference with any representatives I might send out. I therefore designated Don Ramon Santos (who is now governor of Albay), the aforementioned presidente of Guinobatan, and Lieutenants Pagelow and Pyle, of the scouts. Anticipating Olá's request for an armistice for the purpose of assembling his men, such as had been granted him in the preceding November, I directed my agents to inform him that they could enter into no discussion whatever; that absolutely no terms would be granted or considered, except an immediate and unconditional surrender, and that if he did not return to Guinobatan that very day I would, on their return without him, push the campaign with even increased vigor. Having heard that the ladrones feared they would be drawn up and shot on the plaza in case they surrendered, I authorized my representatives to inform Olá that such was not the American custom; that all who surrendered would be well treated as prisoners, and that they would receive a fair trial before the courts, which alone could determine their fate.

At 3 p. m. on September 25 Simeón Olá accompanied Lieutenants Pagelow and Pyle into Guinobatan, and there surrendered to me, with 28 men and 31 firearms, including all in his personal following on that date. After the surrender he promised to aid me in bringing in the rest of his followers, and this agreement he carried out to the letter.

Immediately after his surrender I sent him out with Lieutenant Pyle to locate his colonels, Loamo and Palermo, whom they finally discovered encamped about 6 miles out of the town of Oas. The date set for Loamo's surrender having passed without accomplishment and not knowing what insane ideas might have taken possession of him and his followers, I started out alone with Ramon Santos and one guide to ascertain the cause of delay and to force the issue. As Governor Santos traveled in a bull cart and I was mounted on an American horse, with the guide on a pony, we naturally reached the camp about 3 miles ahead of the governor, whom we met on our return. I found that Lieutenant Pyle had set out for Ligao some time previous, accompanied by Colonel Palermo, who had been badly wounded at Jovellar, and who was still suffering from his wound. Olá was with Loamo, and, immediately after meeting them the entire band surrendered to me, with 33 guns, and returned with me to Ligao, where they were disarmed. This took place on October 5.

The following also surrendered to me on the dates and at the places specified: October 2, at Ligao, Capt. Hermenegildo Repolero, with 5 men and 5 guns; October 13, at Guinobatan, Col. Lazero Toledo, with 13 men and 14 guns; October 23, at Ligao, Maj. Teofilo Bobis, of the band of Augustin Saria, with 3 guns.

In addition to these surrenders, Major Camposano surrendered to Lieutenant Pyle on October 4 in the vicinity of Ligao, with 14 guns, and on October 16 Col. Tito Sacula surrendered to Lieutenant Boone, Fourteenth Company of scouts, at Polangui, with 20 men and 6 guns.

These surrenders ended all organized ladronism or insurrection in the province of Albay, and there remained out only Augustin Saria on the Camarines-Albay border, with 8 guns, 3 of which have since been captured, and the larger portion of his men captured or killed.

The situation in Albay, which resulted in one of the most successful and extensive ladrone movements since the end of the insurrection, was peculiar, and for a long time its seriousness was not appreciated. It is now understood that it originated in a personal quarrel between Simeón Olá and Cirilo Jausian. When Olá was an insurrecto major, it is stated he burned Jausian's house to perpetrate a personal revenge, and that when the insurrectos surrendered, Jausian, who was presidente of Guinobatan, proceeded to get even, which resulted in Olá's taking to the woods and gathering together a few kindred spirits who had concealed guns. Toledo was shortly afterwards released from jail, resurected some guns which he had buried, and joined in the movement, although he was always, to a certain extent, independent of Olá. The financial condition in Albay never justified such an uprising, and the prisoners all maintained that they were satisfied with the American Government, but afraid of the vengeance of some of the local officials. I doubt if many really knew why they had joined in the movement. Throughout the campaign I impressed upon the people that we were waging a war against brigandage; that although Olá's men called themselves "insurrectos" they would not be granted belligerents' rights, and that when captured they would be held as criminals and not as prisoners of war.

As an anecdote of Olá, I would relate that during the campaign it was reported that he had an infallible "anting-anting," and that by looking into this charm he could tell at once if troops were approaching. After his surrender I asked him about this, and he produced an incandescent electric-light bulb, stating that when he held this bulb in his hand the wires vibrated rapidly if soldiers were near, and that otherwise there was no movement, adding that by its means he always verified the reports of his outposts. I explained to him that I feared his hand trembled somewhat whenever he heard that constabulary or scouts were approaching, and that otherwise it was more steady. He replied that this was possible, but that anyway the bulb possessed wonderful properties as an "anting-anting."

In addition to the constabulary, I had under my command during the Albay campaign the Tenth, Fourteenth, Twentieth, Twenty-sixth, Twenty-seventh, Thirty-first, Thirty-second, Thirty-third, Thirty-eighth, and Forty-second Companies, Philippine Scouts, stationed in the three provinces of Ambos Camarines, Albay, and Sorsogon, and a special report will be rendered on the efficiency of the officers belonging to these companies, excepting the Twentieth, Twenty-seventh, and Thirty-eighth, which are no longer on duty with the civil government. As a rule, the scouts and constabulary worked in perfect harmony during the continuation of operations.

During the entire year there were about 45 engagements in the province of Albay, resulting in the killing of about 225 ladrones and the capture or surrender of about 900 others, with 130 firearms.

The work of Capt. Harvey P. Nevill as senior inspector during the Olá campaign stamped him as a most superior officer, both in the field and along administrative lines. His able and energetic subordinates were Captains Fletcher and Swann, Lieutenants Taubee, Corfield, Galt, Scott, Kellermeyer, Kellogg, Fawcett, Coleman, Ward, Neil, and Sommer, and Subinspectors Bactat and Japon. Captain Nevill has since been transferred to Cebu, and Captain Swann is showing himself to be a worthy successor.

The scout officers and companies that participated in the above-mentioned campaign were Lieutenants Koch and Pyle, of the Tenth Company; Lieutenants Boone and Baker, of the Fourteenth Company; Lieutenants Mosely and McElderly, of the Twentieth Company; Lieutenants Paegelow and Rodgers, of the Twenty-sixth Company; Lieutenants Covell and Sutherland, of the Thirty-first Company; Lieutenants Wray and Drake, of the Thirty-second Company; Lieutenant Abbott, of the Thirty-eighth Company, and Lieutenants Roeder and Parrott, of the Forty-second Company. All of these companies and officers rendered most valuable service, and the officers, as previously stated, will be reported upon individually in a separate report.

That the success of the campaign was due to the combined efforts of all of the officers and men concerned, both constabulary and scouts, is shown by the following copy of a resolution of the provincial board of Albay:

Be it resolved by the provincial board of the province of Albay, That a vote of thanks of this body be, and hereby is, extended to Col. H. H. Bandholtz, Philippine Constabulary, for the excellent services rendered by him and the organizations under his command to the province in the suppression of bandolerismo and ladronism that for several months have disturbed the peace of the province.

[Seal of Albay Province.]

A. U. BETTS, Governor.
CHAS. A. REYNOLDS, Treasurer.
W. A. CROSSLAND, Supervisor.

That the people of Albay Province have returned in earnest to their peace-time pursuits is demonstrated by the fact that the exportation of hemp from that province since Olá's surrender exceeds that for any equal period in the history of the province.

AMBOS CAMARINES.

During the operations in Albay Province, the province of Ambos Camarines naturally suffered, especially along its southern border, which had been infested mainly by Tito Sacula, whose surrender has very materially eased the situation in that section.

A ladrone leader named Pablo Avila has for a long time carried on depredations on the Tayabas-Camarines border, and on the 19th of October he succeeded in entering the town of Ragay (of which he is understood to be a native), killed the wife of the presidente and also 1 policeman, and captured 7 Remington shotguns and 2 revolvers. This trouble is understood to be purely a local affair, and, as is frequently the case, was the result of a petty feud between the presidentes of Ragay and Avila. Since then I have had the Thirty-third Company of scouts at Daet and the Thirty-fourth Company at Ragay. They and the constabulary of the province have scoured the country thoroughly, have captured 5 of the guns and 1 revolver, killing 16 ladrones and capturing 10.

At present the scout companies mentioned are operating along the Tayabas-Camarines border, and the Forty-second Company of scouts, combined with the constabulary of Albay and Camarines, are operating against Saria on the boundary of those two provinces. The latter has recently suffered severely from surprises by the constabulary, and has been committing no depredations.

Captain Griffiths, the present senior inspector, has shown himself to be thoroughly equipped for the position, and is rapidly cleaning up the disturbed sections, being ably seconded in his work by Lieutenants Fawcett, McCloud, Neil, Schuetz, Butler, and Sommer.

The Thirty-third and Thirty-fourth Companies of scouts, under Lieutenants Davis and Baker, and Holtman and White, respectively, have been stationed in this province for the last few months and have initiated a very aggressive campaign against the ladrones of Camarines Norte.

MASBATE.

This province throughout the year has been very quiet and with practically no disturbances.

On April 2, 1904, Sergeant Moscare, with a detachment of constabulary, accompanied by Presidente Charles Babst, of the pueblo of Cataingan, captured 5 Cebu ladrones, including the leader, Marcos Negapatan, who was killed while attempting to escape.

Captain Collett, as senior inspector, and Lieutenant Lucas, as supply officer, have performed their duties efficiently and satisfactorily.

MINDORO.

This province since the termination of the insurrection had never been cleared of its ladrone element, and a large band under a leader named Gasic had infested the most populous section of the island ever since American occupation.

On July 19 Lieutenant Holtman, with a detachment of the Thirty-fourth Company of scouts, struck Gasic's band, inflicting upon it a very severe blow, killing 20 ladrones and capturing 20 guns.

After this Subinspector Basa laid a trap for Gasic, as a result of which he and Lieutenant Gilsheuser, on November 11, captured Gasic and his followers, with 17 guns and 2 revolvers. This was the death blow to "bandolerismo" in Mindoro.

During the year there were captured in the province of Mindoro about 50 ladrones and 42 guns.

Captain Fletcher, who captured the "Dos Hermanos" mutineers, and who alone in a personal combat killed several Albay ladrones in the spring of 1903, has been senior inspector of Mindoro throughout the year, and has been characteristically successful and efficient. Lieutenants Gilsheuser and Basa have also rendered conspicuous services.

Lieutenants Holtman and White, of the Thirty-fourth Company of scouts, Lieutenants Cheatham and Allen, of the Seventeenth Company, and Lieutenants Bennett and Morris, with the Forty-first Company, have all rendered valuable services in this province, and these officers will be reported upon separately.

ROMBLON.

During the year there have been no operations whatever in the island of Romblon.

When en route to assume command in Albay, I stopped at Romblon to investigate into reports of an uprising which was feared, and found as a result of my investigation that the fears were absolutely groundless.

There have been captured, however, about 14 petty thieves, who, in larger provinces, might have organized into ladrones.

Lieutenant Morrison, as senior inspector, has ably and successfully commanded the Romblon constabulary.

SORSOGON.

The northern portion of Sorsogon, being in close proximity to Albay, naturally suffered from the operations in the latter, and Toledo's band frequently visited the neighborhood of Donsol. His surrender, however, and Lieutenant Kellermeier's excellent work in destroying the small bands in the northeast portion of the province, have completely cleared up the atmosphere, and Sorsogon to-day is in a very quiet condition.

Captain Marshall has but recently entered upon the duties of senior inspector, but has so far given perfect satisfaction. Lieutenant Quinn, as supply officer and acting senior inspector, has rendered most efficient services.

TAYABAS.

During my absence in Albay a notorious bandit "cabecillo" named Mariano Leonesta, who had been one of the organizers in Albay, but who was driven out of that province by Olá for having stolen from the ladrones themselves, succeeded in getting together a few followers and raided the town of Gumaca, capturing the arms of the municipal police, who gave them up without a struggle. He afterwards raided the town of Catanauan in a like manner.

On my return to Tayabas from Albay I had the Tenth Company of scouts transferred to Sariaya, the Thirty-first Company to Atimonan, the Thirty-second Company to Caloaog, and the Seventeenth Company to Guinayangan. These, in conjunction with the constabulary, operated so successfully against the band of Leonesta (who frequently goes under the name of Roldan), that his men have been completely dispersed and nearly all of the guns recaptured. At last reports Leonesta, with a few followers, had returned to Camarines Sur. Later the town of Alabat, on the island of the same name, was raided, but by a different band, and the police promptly surrendered their guns, as is usual in such cases. These guns also have been recaptured.

I wish in this connection to particularly invite attention to the conduct of First-Class Private Pedro Jordan, who, while on an expedition with 6 companions, discovered a large band of about 50 ladrones eating their dinner in the vicinity of Mount Susa, near the town of Catanauan. Concealing his men, Private Jordan opened fire upon the ladrones, who, being surprised, immediately took to flight. Five of them were killed, and Private Jordan captured 4 guns. For his conduct on this occasion Private Jordan was promoted to corporal.

One of the worst sections of this entire district is that triangular portion of Tayabas Province which abuts upon the provinces of Batangas and Laguna. During the insurrection this was one of the worst holes in southern Luzon. Lieutenant Pyle has been stationed there for some months with a detachment of the Tenth Company of scouts, and has practically ended the thriving business in cattle stealing which had formerly been carried on by some of the more influential people. I am convinced that to this day there are a number of guns still concealed in that section of Tayabas, and in the neighboring provinces of Batangas and Laguna, but have faith in Lieutenant Pyle's ability to eventually locate them.

Maj. J. B. Murphy has served as senior inspector throughout the year, has been most active and successful in field work, and is exceptionally capable, energetic, and well qualified for his position. Capt. G. K. Armstrong has rendered highly efficient and satisfactory services as supply officer, and Captain Sorensen, Lieutenants Keesey, Coleman, Hearn, Stelton, Schroeder and Duval, and subinspectors Puno, Castro, and Campos, have also done excellent work.

For the last six months the Tenth, Seventeenth, Thirty-first, Thirty-second, and Forty-sixth Companies of scouts have been stationed in Tayabas, under Lieutenants Koch and Pyle, Cheatham and Allen, Covell and Sutherland, Wray and Drake, and Weusthoff and Metcalf. As previously stated, the officers mentioned will be reported upon separately.

During the entire year there have been, in round numbers, in this district 80 engagements with ladrone bands, resulting in the capture or surrender of 210 firearms, the killing of 350 armed enemies of the government, and the turning over to the courts for trial of 1,200 others.

While the district is at present the quietest in its history, I do not feel that vigilance can for a moment be relaxed. I estimate that there are still at least 50 firearms scattered and many concealed throughout the interior, and that there is enough ladron material in any one of the provinces to organize a good sized movement whenever there are arms or a favorable opportunity. It will take many years to destroy the bandit microbe in the system of the ordinary "tao," although the better classes already appreciate the difference between ladronism and insurrection.

Attention is invited to the fact that there are no indications whatever that any of the organizations in this district were ever in communication or connected with the Manila promoters or societies.

At present all of the provinces are remarkably quiet, and the people are devoting themselves to their usual peaceful pursuits. In Albay and Sorsogon the hemp trade should

AMBOS CAMARINES.

During the operations in Albay Province, the province of Ambos Camarines naturally suffered, especially along its southern border, which had been infested mainly by Tito Sacula, whose surrender has very materially eased the situation in that section.

A ladrone leader named Pablo Avila has for a long time carried on depredations on the Tayabas-Camarines border, and on the 19th of October he succeeded in entering the town of Ragay (of which he is understood to be a native), killed the wife of the presidente and also 1 policeman, and captured 7 Remington shotguns and 2 revolvers. This trouble is understood to be purely a local affair, and, as is frequently the case, was the result of a petty feud between the presidentes of Ragay and Avila. Since then I have had the Thirty-third Company of scouts at Daet and the Thirty-fourth Company at Ragay. They and the constabulary of the province have scoured the country thoroughly, have captured 5 of the guns and 1 revolver, killing 16 ladrones and capturing 10.

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Lieutenants Holtman and White, of the Thirty-fourth Company of scouts, Lieutenants Cheatham and Allen, of the Seventeenth Company, and Lieutenants Bennett and Morris, with the Forty-first Company, have all rendered valuable services in this province, and these officers will be reported upon separately.

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When en route to assume command in Albay, I stopped at Romblon to investigate into reports of an uprising which was feared, and found as a result of my investigation that the fears were absolutely groundless.

There have been captured, however, about 14 petty thieves, who, in larger provinces, might have organized into ladrones.

Lieutenant Mannison, as senior inspector, has ably and successfully commanded the Romblon constabulary.

SORSOGON.

The northern portion of Sorsogon, being in close proximity to Albay, naturally suffered from the operations in the latter, and Toledo's band frequently visited the neighborhood of Donsol. His surrender, however, and Lieutenant Kellermeyer's excellent work in destroying the small bands in the northeast portion of the province, have completely cleared up the atmosphere, and Sorsogon to-day is in a very quiet condition.

Captain Marshall has but recently entered upon the duties of senior inspector, but has so far given perfect satisfaction. Lieutenant Quinn, as supply officer and acting senior inspector, has rendered most efficient services.

TAYABAS.

During my absence in Albay a notorious bandit "cabecillo" named Mariano Leonesta, who had been one of the organizers in Albay, but who was driven out of that province by Olá for having stolen from the ladrones themselves, succeeded in getting together a few followers and raided the town of Gumaca, capturing the arms of the municipal police, who gave them up without a struggle. He afterwards raided the town of Catanauan in a like manner.

On my return to Tayabas from Albay I had the Tenth Company of scouts transferred to Sariaya, the Thirty-first Company to Atimonan, the Thirty-second Company to Calaoang, and the Seventeenth Company to Guinayangan. These, in conjunction with the constabulary, operated so successfully against the band of Leonesta (who frequently goes under the name of Roldan), that his men have been completely dispersed and nearly all of the guns recaptured. At last reports Leonesta, with a few followers, had returned to Camarines Sur. Later the town of Alabat, on the island of the same name, was raided, but by a different band, and the police promptly surrendered their guns, as is usual in such cases. These guns also have been recaptured.

I wish in this connection to particularly invite attention to the conduct of First-Class Private Pedro Jordan, who, while on an expedition with 6 companions, discovered a large band of about 50 ladrones eating their dinner in the vicinity of Mount Susa, near the town of Catanauan. Concealing his men, Private Jordan opened fire upon the ladrones, who, being surprised, immediately took to flight. Five of them were killed, and Private Jordan captured 4 guns. For his conduct on this occasion Private Jordan was promoted to corporal.

One of the worst sections of this entire district is that triangular portion of Tayabas Province which abuts upon the provinces of Batangas and Laguna. During the insurrection this was one of the worst holes in southern Luzon. Lieutenant Pyle has been stationed there for some months with a detachment of the Tenth Company of scouts, and has practically ended the thriving business in cattle stealing which had formerly been carried on by some of the more influential people. I am convinced that to this day there are a number of guns still concealed in that section of Tayabas, and in the neighboring provinces of Batangas and Laguna, but have faith in Lieutenant Pyle's ability to eventually locate them.

Maj. J. B. Murphy has served as senior inspector throughout the year, has been most active and successful in field work, and is exceptionally capable, energetic, and well qualified for his position. Capt. G. K. Armstrong has rendered highly efficient and satisfactory services as supply officer, and Captain Sorensen, Lieutenants Keesey, Coleman, Hearn, Stelton, Schroeder and Duval, and subinspectors Puno, Castro, and Campos, have also done excellent work.

For the last six months the Tenth, Seventeenth, Thirty-first, Thirty-second, and Forty-sixth Companies of scouts have been stationed in Tayabas, under Lieutenants Koch and Pyle, Cheatham and Allen, Covell and Sutherland, Wray and Drake, and Weusthoff and Metcalf. As previously stated, the officers mentioned will be reported upon separately.

During the entire year there have been, in round numbers, in this district 80 engagements with ladron bands, resulting in the capture or surrender of 210 firearms, the killing of 350 armed enemies of the government, and the turning over to the courts for trial of 1,200 others.

While the district is at present the quietest in its history, I do not feel that vigilance can for a moment be relaxed. I estimate that there are still at least 50 firearms scattered and many concealed throughout the interior, and that there is enough ladron material in any one of the provinces to organize a good sized movement whenever there are arms or a favorable opportunity. It will take many years to destroy the bandit microbe in the system of the ordinary "tao," although the better classes already appreciate the difference between ladronism and insurrection.

Attention is invited to the fact that there are no indications whatever that any of the organizations in this district were ever in communication or connected with the Manila promoters or societies.

At present all of the provinces are remarkably quiet, and the people are devoting themselves to their usual peaceful pursuits. In Albay and Sorsogon the hemp trade should

keep those provinces in a flourishing condition. In Ambos Camarines the same remarks apply to Camarines Norte, but the major portion of Camarines Sur, being essentially a rice country, has suffered severely on account of the lack of a sufficient number of carabaos to cultivate the paddy. In Tayabas the rice crop has been sufficient for the needs of the people, but there is a temporary financial depression, owing to the drought of last year, as a result of which the cocoanut trees this year are bearing but very little fruit, and the making of copra is the main industry in this province. The three island provinces of Mindoro, Romblon, and Masbate are quiet and seem to be enjoying a moderate amount of prosperity.

Referring to the report of Capt. J. M. Wheate, district surgeon, which is hereto appended, I differ with him emphatically as to his expressed opinion on the "unfitness of the Bicol for the duties of a soldier." Doctor Wheate, when rendering his report, was probably not aware that Ambos Camarines is almost as much Tagalog as Bicol, and his opinion was evidently based upon the large sick report at Nueva Caceres, which, I believe, was due to his first assigned reason—the unhealthfulness of the locality. Although the town in question is 25 miles inland, up the Bicol River, it is so low that the Pacific tide rises several feet at the wharves, and it was abandoned as a military post for the reason stated by Doctor Wheate. The Thirty-second Company of Philippine Scouts did as much, as successful, and as hard fieldwork as any other company during the Oli campaign, and showed even less amount of sickness than among many of the other companies. The Thirty-second Company is composed exclusively of Bicolos, and among the others were similar organizations of Tagalogs, Visayans, Ilocanos, Cagayanos, and Macabebes. The Albay constabulary was superior to the detachments of Visayans, Tagalogs, and Ilocanos on duty with them, but this was probably due to the first named serving in their own province. For me, it would be difficult to state which one of the large native tribes furnishes the best soldiers. I am convinced, however, that in proper hands the Bicol makes an excellent soldier, and that he does not merit such harsh criticism. During the period in which the Albay sick report assumed its largest proportions there were on duty in that province constabulary from Negros, Masbate, Romblon, Marinduque, Pampanga, and Tarlac, all of whom I had relieved at the earliest practicable date because their services, compared to that of the Bicol constabulary, were of little value on account of sickness. As to physical courage and other necessary attributes of a soldier, I believe that the Bicol is the equal of any, and that Doctor Wheate's deductions in this particular were based on false premises.

Tables giving statistics as to strength, pay, etc., have been appended to this report.

As a result of our unfortunate experiences during the past year, I have disarmed practically all of the municipal police in this district, and am of the opinion that it would be a good idea to replace such police entirely by constabulary, allowing each town a messenger and town crier. In times past it has been the custom of municipal officials to consider their police as servants, and as long as the appointment and paying of the police are left to the municipal council, these conditions will continue.

The provincial governors and provincial officials throughout the district have aided the constabulary in every way possible, and there has been perfect harmony between these two branches of the government service.

I feel it also to be my duty to make special acknowledgment of the immense value of the services rendered us during the Albay campaign by Don Ramon Santos, who was subsequently elected governor of that province.

In August, 1903, Ruperto Rios, the celebrated "tulisan" leader and self-styled "pope of Tayabas," was hung at Atimonan, his native town. He had been driven out of Tayabas as a result of Major Murphy's tireless fieldwork, and was captured in Laguna through the skill of Captain Grove. Upon my recommendation, he was sent to Tayabas for trial, where he received the death penalty from Judge Lineberger, and expiated his numerous crimes as above stated.

In Albay Judges Carson and Blount at one session dispensed justice to several hundred bandits of that province, who were prosecuted by Supervisor of Fiscals Ross. During the campaign I had captured a well-kept and complete set of Oli's records, in which were entered the details of all of their expeditions, attested to by the signatures of his more important officers. In addition to this, I turned over to Governor Ross a statement signed, voluntarily, by every one of the ladrones to the effect that he had belonged to some one of the ladron organizations of that section. Lázaro Toledo, Hugh Palermo, and all who were found guilty of capital crimes, received the death penalty. Simeón Oli, Tito Sacula, and a large following, were sentenced to from twenty to thirty years at hard labor; and the others received sentences also proportionate to their crimes.

The courts have invariably put a beautiful polish upon all cases turned over to them by the constabulary, in this way contributing their full share to the work of pacification.

Very respectfully,

H. H. BANDHOLTZ,

Colonel and Assistant Chief, Philippine Constabulary, Commanding.

THE ADJUTANT-GENERAL, PHILIPPINE CONSTABULARY,
Manda, P. I.

Posts garrisoned by military and constabulary, horses owned by constabulary, and condition of stores in the second constabulary district.

Province.	Garrisoned posts.		Animals.		Harnesses.		Saddles.		Condition of stores.	
	Military.	Constabulary.	Ponies, all kinds.	Mules, Chino and American.	Single.	Double.	Pack.	McClellan and Whitney.	Commissary.	Ordnance.
Albay.....	8	6	.....	6	3	4	6	10	Poor....	Fair....
Ambos Camarines.....	7	3	.....	2	.....	1	.....	28	Good....	Good....
Masbate.....	.....	2	.....	.....	.....	.....	.....	9	.....do....	Do....
Mindoro.....	2	4	1	.....	.....	.....	.....	4	.....do....	Do....
Romblon.....	.....	1	.....	.....	.....	.....	.....	10	.....do....	Do....
Sorsogon.....	4	4	.....	.....	.....	.....	3	17	.....do....	Do....
Tayabas.....	9	11	23	.....	2	2	.....	33	.....do....	Do....
Total.....	31	31	24	8	5	7	9	111	.....	.....

"This total includes the post at San Juan de Bocoboc, Batangas.

Strength in men and arms, second constabulary district.

	Second district head-quarters.	Province.							Total.
		Albay.	Ambos Camarines.	Masbate.	Mindoro.	Romblon.	Sorsogon.	Tayabas.	
Strength:									
Colonels.....	1	.....	.....	.....	.....	.....	.....	.....	1
Majors.....	.....	.....	.....	.....	.....	.....	.....	1	1
Captains.....	1	1	1	1	1	.....	1	2	8
First lieutenants.....	1	.....	2	.....	.....	1	3	2	8
Second lieutenants.....	1	4	1	.....	1	.....	.....	2	10
Third lieutenants.....	.....	2	2	1	3	1	2	1	12
Subinspectors.....	.....	2	.....	.....	1	.....	.....	3	6
Medical inspectors.....	.....	1	1	.....	.....	.....	.....	1	3
Telegraph inspectors.....	.....	1	.....	.....	.....	.....	.....	1	2
Total.....	4	11	7	2	6	2	6	13	51
Enlisted men:									
Medical division.....	.....	181	126	86	126	77	110	265	971
Telegraph division.....	.....	4	2	.....	.....	.....	1	3	10
Total.....	.....	186	128	86	126	77	111	268	982
Arms:									
Rifles.....	.....	279	125	.....	105	23	6	.....	538
Shotguns.....	.....	67	75	.....	50	10	111	84	397
Carbines.....	.....	.....	112	100	93	73	143	367	888
Revolvers.....	.....	357	184	118	74	91	200	257	1,281

Losses in officers and men, second constabulary district.

	Second district head-quarters.	Province.							Total.
		Albay.	Ambos Camarines.	Masbate.	Mindoro.	Romblon.	Sorsogon.	Tayabas.	
Officers:									
Resigned.....	.....	.....	3	1	.....	1	1	3	9
Transferred.....	2	5	2	.....	2	1	3	1	16
Dismissed.....	.....	.....	2	.....	.....	.....	1	.....	1
Enlisted men:									
Wounded in action.....	.....	3	.....	.....	.....	.....	.....	.....	3
Killed in action.....	.....	1	.....	.....	.....	.....	.....	.....	1
Died of disease.....	.....	6	13	2	.....	1	2	11	37
Discharged.....	.....	119	126	88	19	33	82	219	686
Transferred.....	.....	9	23	11	17	9	13	3	85
Deserted.....	.....	.....	.....	.....	.....	.....	1	1	2

REPORT OF THE DISTRICT SURGEON.

HEADQUARTERS SECOND DISTRICT, PHILIPPINES CONSTABULARY,
OFFICE OF THE DISTRICT SURGEON,
Lucena, June 30, 1904.

SIR: I have the honor to make the following report of the work of the medical division in the second constabulary district for the year ending June 30, 1904:

* * * * *

RECAPITULATION.

It is to be regretted that in a report of this nature I am unable to furnish accurate statistics relating to the cost of administration of the medical division in the district. This inability is explained in the fact that district medical officers are neither disbursing nor auditing officers. This appears to me to be a weakness in the administrative plan of the service. I have no means of knowing how much money the various supply officers disburse on account of the medical division except by courtesy of the officer in replying to inquiries made. In endeavoring to estimate the cost of providing medical treatment and care for the constabulary, I have not been able to obtain data from all of the provinces, nor can I claim accuracy for the record of admissions to sick report in the remote stations.

A summary of expenditures by provinces, as far as can be ascertained, is as follows:

Ambos Camarines:	
Rent of building.....	P 100. 00
Laundry (done by prisoners).....	
Supplies purchased locally—	
Furniture, bedding, etc.....	49. 00
Medicines and medical supplies.....	170. 00
Total.....	<u>269. 00</u>
Albay:	
Rent of building (building costing P100 per month, shared with constabulary headquarters, provincial supply officer, and hospital, estimated as share of hospital).....	360. 00
Laundry.....	50. 00
Supplies purchased locally during campaign in Albay Province.....	1, 000. 34
Total.....	<u>1, 410. 34</u>
Masbate: Pro rata share of district supplies.	
Mindoro: Paid to military hospital for treatment to enlisted men of constabulary.....	540. 00
Romblon: Pro rata share of district supplies.	
Tayabas:	
Rent of building.....	600. 00
Laundry.....	60. 00
Supplies purchased locally—furniture and equipments.....	89. 50
Total.....	<u>749. 50</u>

These incomplete lists are of little value save to emphasize the faulty methods of the past and the necessity for adopting a system of reporting and recording all data that can be of future use to the constabulary. Until quite recently no reports of this nature were required of the medical division, and hence no measures were taken to secure them, and as a consequence the reports of expenditures during the first half of the fiscal year are necessarily more or less inaccurate, in that the custom of the provincial supply officers, I am told, has been to pay many items of indebtedness incurred by the medical division from appropriations for "transportation," while others were paid under the head of "contingent," and in the limited time at my disposal for the compiling of this report it has been impossible to have old records researched by the various supply officers to supply the desired data.

It may be of interest to present this feature of maintenance of the medical division in another light, with a view to discover its utility and demonstrate its necessity from an economic standpoint.

From recorded data acceptedly correct we find the following:

Total admissions to sick report, hospitals and quarters.....	765
Total number days lost due to sickness.....	6, 792
Average number days on sick report.....	8. 8 +
Average number of days on sick report for each man in district.....	. 67 +

To this must be added a conservative estimated number of sick in quarters of which no accurate data has been kept by the detachment commanders in remote stations. The method employed in estimating this number is based upon the known per cent of death rate of cases in hospital. For example: There were 37 deaths recorded in the district during the year; 20 of this number occurred in hospital, while 17 occurred in stations not accessible to hospitals. Now, of the 765 admissions to sick report of the table above 2.6 per cent died, and upon this basis of calculation there would appear to have been 1,406 admissions to sick report in the entire district. In reality, I am convinced that this method of calculation is too conservative, for it is only the seriously sick that are brought from isolated stations to hospital, and the very great majority of cases occurring in such stations are not reported, and I believe it to be within reason to estimate the total number rightly classed as "admissions to sick report" at 1,500, with a total of 10,000 days lost on account of sickness. The totals would then stand:

Admissions to sick report.....	1,500
Days lost on account sickness.....	10,000
Average number days sick per man on sick report.....	6.6
Average number days sick for each man in the district.....	10

Again, as nearly accurate an estimate of expenses for the year on account of maintenance of the medical division as can be herein reported is as follows:

PERSONNEL.

One district surgeon: Salary and allowances.....	\$1,550.00
Three medical inspectors: Salaries and allowances.....	3,000.00
Nineteen enlisted men: Last half fiscal year.....	1,750.00
Supplies: Medical supplies, including local purchases, rents, laundry, transportation, etc.....	2,250.00
Total.....	9,020.00

This can not be far wrong in estimating the entire expense of maintaining the medical division in this district. Estimating the average strength of the district for the year to be 1,100 officers and enlisted men, it will readily appear that the cost of providing for the actual and possible professional necessities of this district is less than \$9 per man per year. When this is compared to the sum necessary to provide medical service for the Army of the United States we find it to be less than one-half the amount.

Respectfully submitted.

J. M. WHEATE,

Captain and Surgeon, Philippines Constabulary, District Surgeon.

THE ADJUTANT, SECOND CONSTABULARY DISTRICT,
Lucena, P. I.

REPORT OF THE THIRD DISTRICT, PHILIPPINES CONSTABULARY.

HEADQUARTERS THIRD DISTRICT, PHILIPPINES CONSTABULARY,

Iloilo, Panay, June 30, 1904.

SIR: I have the honor to submit herewith the annual report for the third district, Philippines Constabulary, for the fiscal year ending June 30, 1904:

* * * * *

The foregoing chronology of events will give a fair idea of occurrences throughout the district which have affected directly public peace and order. By comparison with my annual report of a year ago it will be noted that there has been an entire absence of any event or disorder of particular magnitude.

The provinces of Surigao and Misamis were transferred on the 1st of October to the fifth district, and at that time both can be said to have been quiet and peaceful. Three days before this date occurred the piratical escapade of Captain Herrman and Supply Officer Johnson, of Misamis. Supply Officer Johnson was found several hundred dollars short in his accounts, due to excessive drinking and gambling, and was still under investigation when charges were preferred against Captain Herrman by Captain Green, for misconduct while senior inspector of the province of Bohol. The wild idea entered Herrman's head to escape punishment by fleeing from the islands, and by taking advantage of Johnson's condition induced him to rob the safe and attempt escape with him to Borneo. On the 27th of September Herrman and Johnson quietly hired the launch *Victoria*, then in the harbor of Cagayan, compelling the master of the steamer *Irene*, which was also in the

harbor, to give them a supply of coal. With them were two privates of constabulary and a Spaniard, who was a passenger on the boat. They went to Balingao, on the opposite side of Iligan Bay, where the Spaniard, learning of their intention, made his escape. The captain of the boat was then compelled to go where ordered, and a start was made for Borneo, but the captain soon convinced them that he would have to obtain more fuel at once. They then proceeded to Bayauan, on the south coast of the island of Negros, and when Herrman and Johnson went up the river to visit an old friend of the latter the captain ran his launch on a sand bar, opened the sea valves, and flooded the vessel, making representations to Herrman and Johnson upon their return that she had sprung a leak and that they could go no farther. The ruse appeared to work very well, and the two deserters, together with the two enlisted men, embarked in a barota and started up the west coast of Negros. Arriving at Asia their efforts to obtain a two-masted prao to carry them to Cagayancillo aroused the suspicions of one of the enlisted men, who up to this time believed the officers to be acting in the performance of their duties, and that they were going on an extensive expedition. Failing to influence his companion, he deserted the party and returned to Bayauan, where he reported to the presidente, while Herrman and Johnson and the other enlisted man embarked at Asia on a prao with six natives as crew and started for Cagayancillo. The captain of the prao objected to going on in the face of a severe storm which was approaching, and Herrman was compelled to threaten him and his crew with death if they did not proceed. They acquiesced, and the journey continued until about 8 o'clock the first evening. At that hour Herrman, Johnson, and the soldier sought shelter from the rain beneath the canopy and all fell asleep. Herrman claims that Johnson was supposed to have been on guard. Suddenly the native crew, attacking the three with bolos and daggers, succeeded in mortally wounding Johnson and severely wounding Herrman and the enlisted man. As soon as Herrman could bring his revolver into play he killed four of the crew and compelled the others to jump overboard. As these two men have never been heard from it is presumed they were drowned. Herrman guided the prao back to land, where he buried the money. He then deserted the prao, leaving in it the dead body of Johnson and the wounded enlisted man. He made his way down the coast to Bayauan and started back into the hills. The natives who found the deserted prao sent word to the constabulary post of Sipalay, and a detachment was soon on the scene. The body of Johnson was buried on the beach and the prao with the wounded enlisted man was turned over to Lieutenant Conway, of the constabulary of Cabancalan, Negros. Herrman was captured on the 14th of October, a few hours back of Bayauan, by Captain Haskell, Philippines constabulary. He is now serving a sentence of seventeen years in Bilibid. About 1,800 pesos of the money Herrman buried were recovered.

The peace of the province of Samar has been menaced by a band of Pulajans, who roam about the mountains between Calbiga and Borongan. The center of operations is the sitio of Magtaon. This band is headed by one De la Cruz, who has 9 rifles, and usually travels about with a force of 15 or 20 men. On February 13, Lieutenant McCrea, of Borongan, following up information, located De la Cruz some two hours out. At this time the Pulajans numbered nearly 100, as the people of the surrounding country had been called together by the leader. Lieutenant McCrea went out with a force of but 7 men, and when he attacked he had but 4 men with him. Although the Pulajans at this time had but 5 rifles they readily overpowered and killed Lieutenant McCrea and his 4 men. The 3 men who had been detached about half a mile back remained in the vicinity and watched the outlaws until the arrival of the constabulary and scouts the following day, when another fight occurred, in which 1 scout was killed and 1 constabulary wounded. The Pulajans were dispersed and the bodies of Lieutenant McCrea and his 4 men recovered and taken to Borongan. Numerous expeditions scouting the interior have since failed to come in contact with this band, although several bands of bolomen have been encountered and a few men killed.

Aside from the protecting force on the island of Biliran, the constabulary of Leyte are concentrated in the northern section, with Jaro as the center. The Pulajan force of Juan Tomajo is occasionally heard from, and although numbers of his men have been killed and captured, yet the leader remains free to organize fresh bands, making the section unsafe. The Ormoc leader Papa Faustino was killed, together with 21 of his followers, on July 30, by Civilian Scout Connors. His fall cleaned up the west slope and no trouble occurred there until January 23, when Lieutenant Flores, operating from Dolores, in the mountains of Jaro, lost 3 men killed and 4 carbines in a fight with Pulajans. The barrios of Dolores and Valencia still contain garrisons of constabulary and are rapidly growing to be prosperous communities. A year and a half ago the majority of men in these barrios operated with the Pulajans, but they have proved themselves in the past year to be loyal supporters of the constabulary. The municipal police of Leyte are the most proficient of any province, due to the energy of the provincial governor, Major Borseth, of the constabulary.

In Cebu the bands of Quintin and Aday still hold forth in the mountains of Sudlum, about twelve hours out from the town of Cebu. Although Lieutenant Luga captured 2

guns from these people in March last, and many of them have been killed, yet the leaders remain to furnish a refuge to lawless characters.

With an increase of force in this province permanent posts will be established in the mountains. It has been asserted, and I give it considerable credence, that the existence and operations of the volunteers after the general operations of 1903 had broken up the movement had a tendency to keep alive the Pulajan agitation, because of the abuses of the volunteers creating new enemies and increasing the feeling between the people of the mountains and those of the towns. For this reason the volunteer organization has been allowed to die a natural death, and operations by them have been discouraged.

The provinces of Bohol and Negros Oriental have been entirely without incident, and the people are exceedingly peaceful.

The province of Occidental Negros has been quite peaceful throughout the year, although there have been a few cases of carabao robbing. The famous Papa Isio, after more than a year in seclusion, sent a band of men to one of the outlying haciendas on the 14th of March, and taking the hacenderos by surprise captured 2 rifles and a Mauser pistol from them and returned to the mountains, taking 2 hostages. A couple of days afterwards the constabulary struck the band in the mountains, without, however, succeeding in doing them much damage. One of the hostages was rescued, while the other was boloed before the arrival of the constabulary. A few weeks later Captain Smith, with 2 officers and 4 enlisted men, after a four days' search in the mountains, came upon Papa Isio and killed 2 of his generals, capturing 2 rifles, together with all the church paraphernalia, clothing, supplies, etc. The "papa," as usual, escaped in the bushes. Occidental Negros will probably never be free from fright until this man Papa Isio is captured. This is the only depredation that he has committed in more than a year and a half. He has but few followers, but seems able to strike terror in the hearts of both natives and Spaniards, although most of the hacenderos are well supplied with arms, some of them having 6 or 8 rifles.

The province of Capiz has but one band of ladrones, under the leadership of Julian Ver-tosa, who holds forth in the mountains in the eastern section of the province. His is one of those bands which roams about the country and live off the mountain people, seldom bothering the lowland sections. The carabao stealing and depredations by what are known as local ladrones have almost entirely ceased since Captain Jones, in September and October last year, corralled the carabaos of all the towns, checked them up, and instituted several prosecutions against the principal officials. This broke up the traffic in carabaos and consequently the motive for robbery.

Antique Province has not been as quiet as usual and in the northern part Subinspector Salvador has pursued and killed many of the mountain band of Ompong and Pitoc. The principal ladron or leader of the Montescas, Ompong, went into the barrio of Ibajay, Capiz, on October 7 last year and killed 13 people—men, women, and children—apparently in pure wantonness. He gives as his reason that one of his children died, and it was necessary that it should have servants designated to attend it in the next world. An effort was made to obtain the assistance of the governor of Capiz and the people of the western portion of that province to unite against Ompong and his Montescas, but the results were not in the least satisfactory, as the people appeared to be entirely without a feeling of unity, being apparently confirmed predestinarians.

At this writing the civil governor of the province and Lieutenant Beazley and Subinspector Salvador are at Pandang having a conference with Ompong and Pitoc, and it is expected that they will surrender with the 6 rifles that they have. They were assembled and ready to do so a few days ago, but as the provincial governor was not present they returned to the mountains. Without rifles these mountain bands will undoubtedly cease to further molest the people of the lowlands.

To the province of Paragua attention was directed by the unfortunate affair of February 16, in which the 4 men of the Forty-eighth Company of Philippine Scouts were killed and 31 carbines lost to the Moros. It seems that Lieutenant Loudin with a detachment of his company, while on a map-sketching expedition in southern Paragua, left their sailing vessel with their carbines on board in charge of 4 guards while the detachment went ashore to await the passing of the storm. The few Moros who were in the boat killed the 4 guards, set sail, and escaped with the 31 carbines. A detachment of scouts and constabulary under the provincial governor, who is an army officer, encountered the Moros at Kulasian and succeeded in recovering 8 carbines. At this writing another expedition is out to again locate the Moros.

A wonderful change has taken place in the province of Iloilo during the past year and carabao stealing, which was a curse to the province, has been reduced to a point even below that in Spanish times. The chronological list of events will indicate the activity of the ladrones and in a measure that of the constabulary in this province. No mention is made of the numerous expeditions and patrols which returned without appreciable results. As a result of the operations a goodly number of serviceable firearms have been surrendered in the past few months and the prospects are good for the surrender of more by the mountain

people. They have time and again signified their willingness to be good if only left alone, and, as far as we have been able to determine, the mountain bands which formerly gave so much trouble have not in the past year committed robberies or depredations to any extent. The persecution of the armed bands has led them to make overtures of peace and promises of surrender. A number have presented themselves during the last few months, turning over good serviceable rifles, and have gone out and brought in others. It was thought that Torribio would surrender with his men and arms in the month of May, but at the last moment he failed to do so, although he did send in 3 rifles as indication of his sincerity. Negotiations are now under way with a subcaptain of Torribio who has in his hands all of Torribio's rifles, and it is quite probable that a number of them will be surrendered.

The old hard-shelled Sano still refuses to surrender, and as long as he commits no depredations will not be further molested until the constabulary are through with the others, who are now slowly coming in. Further back in the mountains is to be found the band of Oto with 12 or 15 arms, but as this band has never been known to commit any depredations and is a long distance away, but little attention has been paid to it. Patrols are occasionally sent through that section to recover carabaos which find their way there, but the people offer no resistance and hide themselves on the approach of an armed force. If the officers at present in this province continue the work of the past few months very satisfactory results are expected to follow. The outlawry has been almost entirely confined to what is known as local ladrones or those who live in and about the barrios and prey upon one another with the knowledge and assistance of their neighbors. Carabao stealing will never entirely cease in Iloilo as long as the people of Negros are permitted to purchase animals in the province. The demand by the wealthier hacenderos of Negros creates a market for stolen animals.

I can not close my remarks on the work in the province without special commendable mention of the work of Captain Haskell and Lieutenants Countermarsh and Lewis and Subinspector Martinez.

Take it all in all, conditions throughout the district as regards to outlawry and criminality are much improved over six months ago and considerably more so over those of a year ago. Owing to the character of the people with whom we have to contend, it is to be expected that the existence of small bands of outlaws will continue for an indefinite period of time, although as the constabulary increases in efficiency and the municipal police and municipal officials are required to perform their duties as they should, criminality is bound to remain at the minimum.

THE MUNICIPAL POLICE.

There has been considerable improvement in many of the pueblos in the police organizations and in the work performed by them. As the financial conditions become better more attention is given to the pay and equipment of the police and in many towns their pay exceeds that of the constabulary. There are a great many rifles in the hands of the police, the issue of which was made necessary because of the lawlessness which existed and the inadequacy of the force of constabulary. With a knowledge of the readiness with which a band of outlaws can gain headway when once they come in possession of rifles, I would like to see more hesitancy in the granting of permits to municipal police and to private individuals. This opens the question of the general license of arms, and it is one which appears to me as deserving of more stringent rules and less liberality. I would like to see revolvers distributed in goodly numbers throughout the islands for the personal protection of individuals and the moral effect it would have on bands armed only with bolos. When it comes to the issuing or granting permission to possess rifles and shotguns, however, the privilege extended should be gradually withdrawn in proportion to the degree of necessity.

THE CONSTABULARY.

The majority of the officers of the district are worthy of the highest praise for intelligence and conscientiousness displayed in the performance of their arduous duties. Difficulties have not been few, but nevertheless have been surmounted to a degree highly satisfactory to the district commander. It is true that in some instances much remains to be desired, but I place the fault less with the individual and more with the adverse conditions under which the constabulary was started.

First and above all, I advise the establishment of a school for both officers and men. The constabulary is slowly but surely evolving into an organization of a character and scope far beyond that contemplated in its conception. The necessities of the situation have forced that issue until nothing but a radical change of governmental policy can divert it from the goal to which it is heading. Why, then, hesitate longer to give it the impetus that will insure its permanency and future standing? It is not to be an army in the common acceptance of the word, but an insular police, organized and maintained on military prin-

ciples without the prerogatives of the military. Discipline signifies regularity, and strict obedience to laws and orders which promote union of action and conduct. A well-disciplined force is to be relied upon and instills confidence in itself, its superior officers, and in the people for whose protection it exists. Its principles must necessarily emanate from but one source. By force of circumstances, the constabulary has worked from the extremities toward the center in matters of schooling. Each post commander gave such instruction as his abilities and energy permitted; then each provincial commander sought to establish a school for his province; then the district commander a school for his district, and now, if a central school could be established our rapid advancement toward a perfect organization will be assured. The only drawback has been in the insufficiency of officers and men to be spared from the field.

PAY OF OFFICERS AND MEN.

This is a delicate subject to handle in view of the pressure from all bureaus on the government treasury, with their arguments as to their relative importance to the success of the government. Progress is contingent upon the establishment and maintenance of peace and order, and charged with this duty, the constabulary above all merits a consideration for its needs and its efforts at self-improvement. The pay of the officers in the lower grades should be sufficient to insure their retention in a service in which experience is so great a factor. The pay of the enlisted men, and particularly the noncommissioned officers, should be sufficiently above that of municipal police to serve as an inducement to the more intelligent young men to enter the service with aspirations for higher honors. Imbued with American ideas of perfection and organization, many municipalities are actuated to offer better pay to municipal police than can be obtained in the constabulary. The liberal distribution of rifles to the police encourages them in this matter. As against the municipal police and the scouts the lesser pay of constabulary makes recruiting of good men very difficult.

THE SUPPLY DEPARTMENT.

Too much can not be said of the work of this department in the past year. This district, although distant from Manila, has felt the effect of the systematic work of Colonel Baker and his subordinate officers as evidenced in the now nearly complete equipment of all provinces. No special recommendations are to be made, as it is quite evident that everything essential to the success of the organization is being provided with commendable expedition. The confusion formerly so extant has entirely disappeared by the institution of system and regularity.

BARRACKS AND QUARTERS.

This is a subject worthy of some contemplation. In few of the provincial capitals are to be found buildings suitable for offices and storerooms, and barracks for the men. The guarding of provincial jails, furnishing escorts for officials and prisoners, enlisting and instructing the recruits necessitates the maintenance of a force of about 60 men at each provincial headquarters. In several places land can be obtained from the insular, provincial, or municipal governments. Buildings constructed of nipa would be much preferable to present arrangements. When so constructed they could be improved from year to year by the substitution of boards for the nipa. The exorbitant rentals now forced upon us would pay for such buildings in a very few years.

SUBSISTENCE.

General Orders, No. 94, headquarters Philippines Constabulary, series 1903, making provision for the subsistence of the enlisted men of the constabulary, was not a step, but a bound, in the evolution of the constabulary from a guerrilla, volatile existence to a condition of stability and permanency. The provision of 21 centavos per day is ample for both garrison and field duty, and officers of ability experience no difficulty in providing for their men a good ration. Rice is recognized by all as a most improper food when consumed in such large quantities as is customary with the lower class of Filipinos. Every effort is being made to gradually decrease the allowance of rice and substitute therefor mangos, American beans, vegetables, bread, pork, fresh beef, canned roast beef, bacalao, etc. In most provinces the savings have been sufficient to furnish a variety far in excess of that to which the men have been accustomed. This tends to strengthen the system and to reduce sickness to a minimum, while the element of fastidiousness heretofore unknown in Filipino character is beginning to develop as the enlisted man finds himself better clothed and subsisted.

If the heart of a man is to be reached through his stomach the present provisions for the subsistence of the constabulary will bind the enlisted men to the service more surely than any other factor.

TRANSPORTATION.

Experience in this district has not warranted the use of the native pony for a mounted force. Officers are able to keep one or two ponies in good condition for their use alone, and but little success has resulted in efforts to maintain mounted detachments. The ponies of the Visayas have been so depleted by disease that the few remaining are, if strong, to be had only at very high prices or, if weak, are difficult to get into shape for service. The supply of Chino ponies, mules, carabaos, vacas, wagons, carts, and carriages has been increased to a considerable extent during the past few months. Twelve cargo boats were recently purchased in Hongkong to be used in loading and discharging coast guard and transportation vessels. More will be purchased as funds are available. All these provisions reduce to a considerable extent the cost of transportation, as at ordinary rates of hire a vehicle or boat will pay for itself in a few months.

TEXT-BOOKS.

At the present time the officers in command of posts have access to no other matter of instructive reading than the general orders of the chief of constabulary and the district chief. Text-books on all subjects should be furnished supply officers to be issued to all officers on memorandum receipt. It would be but a recognition of the necessity of constant study and application.

I would respectfully recommend that the following be made available for the use of all officers: The Official Gazette (Spanish copies to all native officers); Butt's Manual of Calisthenics; infantry drill regulations; infantry firing regulations; manual of guard duty; A text book on map sketching; Pilcher's First Aid in Illness and Surgery.

TARGET PRACTICE.

The pointing and aiming drill, followed by target practice, is a very important element in the efficiency of the constabulary. The habit of shooting from the hip and absence of deliberation in aiming and firing makes it quite necessary that target practice should be a subject for special instruction by an officer detailed for the work. The present allowance of 25 rounds per man annually could well be increased to 50. Good results would follow if an inspector of target practice could be appointed for each district. Such an officer should be continually engaged in traveling from post to post giving instruction to officers and men alike. Targets at present being used are only such as post commanders can devise from material at hand and the results consequent upon such irregularity can not well be compiled into comprehensible statistics.

DEATHS AND DESERTION.

The losses from deaths and desertion compare very favorably with that of last year, the total losses by death being 47 for this year as against 118 last year; while the losses by desertion were 9 for this year as against 26 for last year. There having been no deaths from cholera it will be noted that the provinces of Leyte, Samar and Cebu are the greatest sufferers in death from disease which is attributed principally to beriberi. The increase in death in Paragua was due to beriberi on the island of Balabac and can be attributed primarily to improper quarters and poor food. With the presence of an American officer and the institution of the recent provisions for subsistence it is expected that further losses from beriberi will be at a minimum.

RELIGIOUS QUESTIONS.

The agitation against the frailes heightened by the organization of the Aglipay or Independent Filipino Church is confined to the provinces of Antique, Iloilo, Negros Oriental, Negros Occidental, and Cebu. In other provinces the movement has made but little impression. The question has at no time assumed a serious aspect but the feeling throughout those provinces against the frailes remains unabated and extends even to those who still adhere to the Roman Catholic Church. The Aglipay or Independent Filipino Church has for its followers the people who compose the radical element, and we find in their midst both men of the nationalist and federal parties. The elements which were formerly known as Americanistas and insurrectos are now found side by side. There are some who feel that the new church is but a cloak to a new insurrectionist society, but this I do not believe worthy of any consideration. Taking the question all in all, the division between the Roman Catholic Church and the Independent Filipino Catholic Church does not hinge on politics, as people of all parties and beliefs are to be found on both sides.

Respectfully submitted.

W. C. TAYLOR,

Colonel and Assistant Chief, Philippines Constabulary, Commanding.

The ADJUTANT-GENERAL, PHILIPPINES CONSTABULARY,

Manila, P. I.

REPORT OF THE FOURTH DISTRICT, PHILIPPINES CONSTABULARY.

HEADQUARTERS FOURTH DISTRICT, PHILIPPINES CONSTABULARY,
Vigan, Ilocos Sur, P. I., June 30, 1904.

SIR: I have the honor to submit the following report of conditions, operations, occurrences, and the status of the Philippines Constabulary in the provinces comprising the fourth constabulary district for the fiscal year ending June 30, 1904:

Per verbal orders of the chief of constabulary, Maj. Jesse S. Garwood, assistant chief, Philippines Constabulary, in General Orders, No. 1, headquarters fourth district, Philippines Constabulary, dated Vigan, June 25, 1903, assumed command of the fourth constabulary district, comprising the provinces of Abra, Benguet, Cagayan, Ilocos Norte, Ilocos Sur, Isabela, Lepanto-Bontoc, and La Union, and established headquarters at Vigan.

Inspection trips have been made personally by the district chief during the year in all sections of the district and in all provinces, including the remote district in the interior inhabited only by savage Igorrotes.

Conditions in the district at present as to peace and tranquillity are excellent. There is no band of dangerous ladrones at large in the district. Cattle thieving is very common, however, in some of the provinces, but is being rapidly eradicated. An American deserter named Sibley is at large in the wild mountain district between Dumabato, Isabela, and Casiguran, Tayabas, but he is being constantly pursued and is not a very dangerous character. The state of the constabulary as to efficiency and drill is good. Efficiency of officers is also good. The two most important occurrences which marred the peace of the district during the year were the Vigan mutiny and what was styled as the "Tomines insurrection" in the Cagayan Valley. The former was successful at first, but all the mutineers except three were captured in a short campaign, lasting only eleven days. This campaign was joined in by parts of three scout companies (the first, twelfth, and fifteenth), three troops of the Eleventh Cavalry from Camp Wallace, San Fernando, and detachments of constabulary from the headquarters troop and the provinces of Ilocos Sur, La Union, Abra, Lepanto-Bontoc, and Ilocos Norte. The Tomines campaign was somewhat longer drawn out, but was successfully brought to a final close on March 30 by the capture of the bandit chief Tomines himself, most of his men and arms having been captured before him. Accounts of these operations will be found under the captions for the provinces of Ilocos Sur and Isabela, respectively.

There have also been some troubles with the wild Igorrotes in Bontoc, but these, while occurring in Bontoc, were caused by hostiles from Nueva Vizcaya coming over the boundary against tribal enemies. This matter is reported in detail under the head of Lepanto-Bontoc.

The conditions, operations, and occurrences in the fourth district for the fiscal year of 1904, given by provinces, follow:

ABRA.

Disposition of constabulary June 30, 1904.—Banguet, Second Licut. H. A. Duryea, senior inspector and supply officer; Third Licut. Honorato Ballesta; 76 men. San Jose: Detached service, Isabela, Subinspector Guillermo Ferrandez, 10 men; fourth district band, 3 men. Total, 2 stations, 3 officers, 89 men. Authorized enlisted strength, 100.

Expeditions and patrols, 10; miles covered, 441; engagements, none; outlaws killed, none; outlaws wounded, none; outlaws captured, none. Arms and ammunition captured, 1 brass cannon; other property recovered, ₱1,870.90, money stolen from provincial treasurer on night of May 11, 1904. Constabulary casualties, none; arms lost by constabulary, none.

Conditions in this mountain province are very good. A large part of the back district of Abra having been transferred to the province of Lepanto-Bontoc, leaves the province more easily to be managed by the present force of constabulary.

The "Alzados" (local name for wild Igorrotes), as the mountain people of this province are called, are as a general rule very peaceable. However, at times they go on the warpath against the Tinguian people inhabiting the lower districts. In March, 1903, the constabulary became aware that a large force of armed Alzados were making for the lower country, and the senior inspector at once disposed of his force to afford protection to the inhabitants of the ranches of the Tinguianes and other people in the surrounding country. The Alzados on finding most of the ranches occupied by constabulary left without committing any depredations. They undoubtedly had intended levying tribute on the low-country people, as has been their habit of doing at intervals, carrying off stock, etc., in payment. These descents are not made often, however. They are generally instituted by the young men of the most remote hill tribes and are mostly to be feared during the spring months, at which time the young bucks seem to be more bellicose than at other times.

The court of first instance, in the month of September, sentenced one Valerio, an exinsurgent lieutenant, who was the main organizer of the band that robbed Santa Maria, Ilocos Sur, to eight years' imprisonment and a \$2,000 fine. Seventeen other men who were also

held for the crime above stated were turned loose on motion of the fiscal, although some of them confessed that they had belonged to the band. The above-mentioned men, in the month of May, were organized into a band by Lieutenant Valerio, who joined the outlaw Vister, and committed considerable depredation in Ilocos Sur, the most serious of which, however, was the attack and defeat of the police and looting of the tribunal of the town of Santa Maria, Ilocos Sur, after which they fled to the mountains of Abra, expecting to escape pursuit. The Tinguianes (or low-country people), however, being very friendly to the government and not desiring to have any turmoil in their province, brought about the capture of these men and surrendered them to Lieutenant Knoll, the senior inspector. They also brought in one cannon in good condition and one serviceable Krag rifle. The attitude of these people is very commendatory.

Twenty-five men from Abra, under Subinspector Ferrandez, were on detached service in Isabela during the Tomines campaign, and the constabulary of Abra also rendered able service blocking trails during the running down of the Vigan mutineers. The force was not tainted with insurrectionary ideas in connection with La Union and Ilocos Sur, as was at first thought might be possible.

The constabulary of this province is without a doubt the best-drilled and disciplined provincial force in the fourth district, due mostly to the untiring and very zealous efforts of First Lieut. Frank Knoll, who, on February 1, was granted leave to visit the United States in connection with the Igorrote exhibit. He was relieved as senior inspector by Capt. August O. Sorensen, who was also relieved on March 20 by Capt. Waldo B. Williams. It is desired that Lieut. Frank Knoll be returned to this province upon expiration of his leave, as he wields great influence with the Tinguianes and the wild hill tribes in the interior of Abra.

Locusts made their appearance to a more or less degree, but were rapidly exterminated by the people, who, as soon as they found a swarm of little hoppers that were as yet not old enough to fly, dug several deep pits nearby and inaugurated "drives." The little hoppers hopped and fell into these pits and, being too small to hop or fly out, were very easily exterminated.

The people of Abra, for the most part, are contented and hard workers. The most thrifty and prosperous appear to be the Tinguianes. They invariably have the best crops and stock, yet they are not taxed. It appears that they could be taxed to a certain extent and they undoubtedly can stand it better than the average Ilocano in this particular section.

Very good corn and tobacco crops were realized.

BENGUET.

Disposition of constabulary June 30, 1904.—Bagnio: Second Lieut. T. H. F. Diederich, senior inspector; Second Lieut. J. F. Egerton, supply officer; Subinspector C. Valdez; Third-class Telegraph Inspector G. L. Rickards; 28 men. Sablan, 8 men. Detached service, fourth district band, 2 men. Total, 2 stations, 4 officers, 38 enlisted men. Authorized enlisted strength, 50.

Expeditions and patrols, 1; miles covered, 140; engagements, none; outlaws killed, none; outlaws wounded, none; outlaws captured, none; arms and ammunition captured, none; other property recovered, none; constabulary casualties, none; arms lost by constabulary, none.

This is a very peaceful mountain province, inhabited mostly by Igorrotes. At present the province is prosperous.

On December 31 the senior inspector, First Lieut. Elmer B. Melton, shot and killed himself with a .38-caliber Colt's revolver at San Fernando, La Union. Despondency is attributed as the cause. His place was taken temporarily by First Lieut. Thomas Carl, who was relieved in March by Second Lieut. Theodore H. F. Diederich, and Lieut. John F. Egerton was also assigned to the province as supply officer, filling a long-felt want, as the senior inspector of this province had also been acting as supply officer.

During the year there were only two expeditions after badrones and marauders. The first expedition was during the time of Lieutenant Porter, and the second was in September, under command of Subinspector Valdez, who returned with five Igorrote prisoners, charged only, however, with stealing stock. They were tried and found guilty of theft and were sentenced to six months' imprisonment each. This has been the only band of cattle thieves that has been reported in this province. The peaceful people, however, are subject to attacks now and then from bands of head-hunters belonging to the hill tribes. In the early part of November a band of "Busoks" (local word for head-hunters) from the Asin Valley in Nueva Vizcaya made a descent on the settlement of Buguias, close to the Benguet boundary. Detachments of constabulary immediately left Baguias and Cervantes for the scene of the raid. The residents of that district, however, had armed themselves against these head-hunters and they had not been able to do much damage before being chased off, and immediately left the district upon the appearance of the constabulary and returned to their haunts in the hills. The Asin Valley is in Nueva Vizcaya and is the resort of a savage, lawless element.

CAGAYAN.

Disposition of constabulary June 30, 1904.—Tuguegarao: Capt. Henry Knauber, senior inspector; Second Lieut. H. N. Shobe; Third Lieut. Guy H. Greene; 58 men. Aparri: First Lieut. J. M. Van Hook, supply officer; First Lieut. W. T. Harris; First Lieut. Ernest R. Hazzard; 32 men. Detached service, Isabela, 22 men; fourth district band, 4 men. Total, 2 stations, 6 officers, 116 enlisted men. Authorized enlisted strength, 162.

Expeditions and patrols, 108; miles covered, 5,235; engagements, none; outlaws killed, none; outlaws wounded, none; outlaws captured, none; arms and ammunition captured, 2 shotguns, 1 revolver, 62 rounds assorted ammunition; other property recovered, 6 ponies, 1 carabao, 2 watches (value, \$50), jewelry (value, \$300); constabulary casualties, none; arms lost by constabulary, none.

Conditions in this province with reference to peace and law and order are good. The indications are favorable to more prosperous times. Their straitened circumstances are largely due to the great loss in 1902 of carabaos, cattle, and horses by pest, and by the more recent ravages by locusts in the corn crop during July, August, and September. Concerted effort was made to destroy the pest by all municipalities in the province on September 8 and 9, and great numbers of locusts were driven into pits and killed, since which time they have not been so noticeable, and the pest has apparently run its course, at least for the present. Owing to the great amount of uncultivated land in the Cagayan Valley, it is thought that it will be very difficult for some time to come to exterminate the locusts there. The tobacco crop was a very good one this year, owing to the heavy rains in October and November, which inundated all the lowlands, and thereby ensured a good yield of tobacco.

A large typhoon struck the valley on October 25, and was by far the most destructive storm for many years. Tuguegarao suffered more than any town in the province. All buildings were more or less damaged, and many good structures totally destroyed. All the buildings on the old military reservation which were in use by the constabulary were totally destroyed, and the constabulary were compelled to retire to the town again and get other quarters. A steel warehouse of the Tabacalera Company, which was made in England, was totally destroyed, which shows the strength of the storm. The Tabacalera Company lost over \$100,000. The loss of life and river shipping was severe. Sixteen cascoses, or barangays, were reported lost and 30 persons drowned.

The execution at Amulung, on October 30, of the four condemned men, Daniel Verzon, Nicolas Ancheta, Faustino Pascual, and Anaceto Javier, had a very unfortunate termination. The execution was by garrote, and the executioner was an American—apparently a novice—from Manila. The records show the execution of these men was carried out according to schedule from start to finish, the provincial doctor and the judge of the court of first instance signing certificates that the men were dead. Each man was in the machine about eight minutes. It is very evident that not enough force was applied by the executioner, for, although the bodies had been laid out, several hours afterwards three of the men, Daniel Verzon, Nicolas Ancheta, and Faustino Pascual, were found to be still alive. The provincial doctor was immediately notified by Captain Long, and everything possible was done for the men. They were taken to the homes of relatives, but the doctor pronounced them incurable, as they were almost totally paralyzed, and remain so to this day. The status of these men at present is very peculiar. Having been condemned and executed according to law and pronounced dead by the doctor, and certificates signed by the judge of the court of first instance, these men legally do not exist, yet they are actually still alive, although it is thought they will shortly die.

There has been for a long time in Cagayan a sort of an underground cattle-thieving organization, and not a few people numbered among the "principale" class (even including, in some instances, municipal officials) are suspected of having a hand in this nefarious business. These high-toned ladreses, who all have humble servants to do their bidding under cover of the night, have made away with cattle, carabaos, and horses to an alarming extent during the past. The stock simply disappears from one section only to reappear in another with a new brand, where it is purchased by buyers who are members of the association and resold again. This condition naturally has caused a degree of unrest and discontent among the masses, and has forced them at times into an attitude toward the present system of government which they should not feel, and which merely makes them more susceptible to the wishes of the "principale" class, as they fear the consequences of reporting the matter to the municipal officials, believing that the safer and better course is to let the matter drop and accept their loss, as the municipal officers themselves might be the ones committing the robbery. The present senior inspector is waging a vigorous campaign against these thieves, with considerable success, although it is very difficult to secure witnesses against the perpetrators even after they are caught. The recent sitting of the court of first instance at Tuguegarao has been a great help to conditions, as a large docket has been cleared up which was composed principally of horse and cattle thieves.

It is thought this favorite vocation of some of Cagayan's residents will shortly be completely broken up.

During the Tomines campaign in Isabela Captain Long and Lieutenant Hazzard, with 66 men, were on detached service in that province.

ILOCOS NORTE.

Disposition of constabulary June 30, 1904.—Laoag: Capt. B. L. Smith, senior inspector; First Lieut. J. C. Buttner; Third Lieut. O. C. Humphrey, supply officer, 70 men. Badoc: 6 men. Bangui: Third Lieut. E. DePeralta, 6 men. Dingras: 6 men. Detached service: Isabela, Second Lieut. James J. McLean, 39 men; fourth district band, 2 men. Absence with leave: Capt. H. J. Castles. Total, 4 stations, 6 officers, 129 enlisted men. Authorized enlisted strength, 156.

Expeditions and patrols, 86; miles covered, 8,250; engagements, none; outlaws killed, none; outlaws wounded, none; outlaws captured, 50. Arms and ammunition captured: 1 Krag, 1 Spanish rifle, 3 revolvers, 6 revolver cartridges; other property recovered, none; constabulary casualties, none; arms lost by constabulary, none.

This province is very quiet and peace reigns in all parts, although it is the home of Ricarte. It was reported in January that Ricarte had secretly entered the province and was at his home in Paoay. Investigation, however, proved this to be false.

The most serious disturbance during the year was the attempted organization of the new Katipunan association in and around the town of Paoay by a native of Tarlar, named Valentin Butardo. The existence of the society was disclosed by Gavino Omayang, lieutenant of the barrio of Pia, of the pueblo of Paoay, who, on the 6th of July, informed Corporal Quintos, in charge of the constabulary detachment at Badoc, that such a society was organizing in Paoay. Corporal Quintos left for Paoay at once with 8 men, arriving there about 2 p. m., and he, with his men, together with the municipal police of the town, arrested in all about 60 members of the new association that afternoon. The senior inspector arrived at Paoay the next morning, and from the 6th to the 25th of July 161 members of this society were arrested by the constabulary and police. Butardo, with a few of his most devoted followers, succeeded in escaping to the mountains, where they were pursued by a force of constabulary, while other detachments, with the municipal police, watched the different adjoining towns. Butardo, however, and his 5 companions, tired of living without food and being constantly pursued in the mountains, came in and surrendered at Paoay on the 15th. At that time only 2 other important men remained to be captured, and the capture of these 2 men was effected on the 25th. Among the papers captured were lists of the members of the society, bearing 176 names, signed in blood. All members of the society had a scar on the right arm just below the elbow, being a slight incision made half an inch long, probably with a knife, dagger, or other sharp instrument, from which blood was taken from each man with which to sign his name. In the investigation made by Judge Wislezenus, who was at Laoag at that time, it was clearly shown that most of these men had been forced into the organization through threats of death, most of them being of the lowest workingman or tao class. Of the 161, 107 were released by the judge, and the remaining 54 were held for trial to the court of first instance. These men were tried by a special session of the court, which began August 20, 1903, with the result that 17 were convicted, receiving from one to seven years' sentence each. The organization of this Katipunan Society was not of a menacing nature to the peace of the province, as it was organized among a very poor and ignorant class, and was more a scheme of Butardo and several of his companions to gain a livelihood than any other. Only 1 revolver, with no ammunition, was captured. Bolos were to have been made later by one of the members who was a blacksmith by trade, but no money had been advanced as yet by Butardo's treasurer for the purchase of iron from which to make them, and none was manufactured.

On September 30, 1903, Capt. W. G. Gatchell was relieved as senior inspector of this province by Capt. H. C. Castles, who was relieved on March 15, 1904, by First Lieut. J. C. Buttner, who was relieved on April 3, 1904, by Capt. William Green, who was relieved on April 10, 1904, by Capt. B. L. Smith, who is still in command of that province.

Several conflagrations occurred during the year in the province, but no serious damage was sustained. The prompt action of the constabulary detachment at Laoag probably saved that town from having a serious burning.

About the middle of December the newly arrived Roman Catholic bishop in charge of the diocese of Nueva Sigovia, of which this province is a part, the Reverend Doctor Daugherty, visited this province on an inspection tour. The churches in this province are all held by the Independent Filipino Church, excepting only the one in Laoag. Considerable feeling was shown against the Bishop in the different towns as he passed through, and a few stones were thrown at him in Laoag, one of which hit him, but resulted in no serious bodily injury. No serious disturbance occurred. The stones were thrown from behind a hedge

fence in Laoag while the bishop was out riding in the early evening. In view of the bishop's intended visit the constabulary officers were cautioned to prevent any personal violence against him, if possible, should any be attempted. No constabulary escort was asked for or given him, as has been reported as having been done. Lieutenant McLean, however, although not a Catholic personally, rode with him from Badoc to Laoag.

The people of this province are generally industrious and very peaceably inclined, although they may become fanatical over religion at times.

During the Tomines campaign in Isabela Lieutenants McLean and Helfert, with 55 men from this province, were on detached service in Isabela, where they rendered very excellent service. Although the campaign is over, they have been retained there until that province shall have quieted down to its normal state of tranquillity.

Although depleted in numbers, the constabulary of Ilocos Norte put on a bold front on hearing of the mutiny at Vigan, and are to be commended for the manner in which they did their duty, meriting the confidence shown them by their officers and the American population in general.

ILOCOS SUR.

Disposition of constabulary June 30, 1904.—Vigan: Capt. A. E. Hendryx, senior inspector; Second Lieut. J. McRae, supply officer; Third Lieut. C. H. Allen; Subinspector Dionicio Reyes; Third-class Telegraph Inspector C. M. Sides; 126 men. Detached service: Lepanto-Bontoc, Second Lieut. Harry E. Miller; Isabela, 1 man; fourth district band, 5 men. Total, 1 station, 6 officers, 132 enlisted men. Authorized enlisted strength, 163.

Expeditions and patrols, 68; miles covered, 800; engagements, none; outlaws killed, none; outlaws wounded, none; outlaws captured, 33; arms and ammunition captured, 1 Krag rifle and 966 Mauser shells; other property captured or recovered, none; constabulary casualties, none; arms lost by constabulary, none.

This province is very quiet and peaceful and apparently entirely recovered from the shock of the Vigan mutiny. The maguey and other crops appear to have been very good this year. Considerable new building is going on, especially in Vigan, where buildings upon which work was stopped during the insurrection in 1898-99 up to the present time are being completed and new ones erected. This is taken as a fairly good sign of prosperity and contentment.

A great many Tinguianes live back from the coast in the foothills of the Cordillera Real. They are very law-abiding and desirous of peace, but are very clannish and live in settlements of their own, where their magnificent cattle and other stock show their industry, as it does in other provinces of this district wherever they are found.

The town of Vigan is the representative town of the Ilocano country, but has no suitable port, most of the year boats being compelled to leave stores and supplies destined for the town and back district either at Salomague or San Esteban, both places about 20 miles distant, one north, the other south. Only in the best of weather can boats make a landing or discharge cargo at Pandan, which is the port of Vigan, situated only 2 miles distant. It is believed Pandan could be made a very good port without the outlay of an extraordinary amount of money by the insular government. With this done it would reduce expense of transportation for the people by thousands of dollars, both convenience and time, and would have a tendency to increase traffic and output of products from this province and the back province of Abra and other sections in this district.

A deplorable affair occurred in Cabugao on the 6th of September, resulting in the death of Lieut. C. W. Hutton, third lieutenant, Philippines Constabulary, formerly attached to the constabulary of Abra. Lieutenant Hutton was en route to Manila per Special Orders, No. 55, paragraph 2, headquarters Philippines Constabulary, and on his way through to Salomague to await transportation to Manila he stopped at Cabugao, as he had an old friend there named Wingo, the owner of a canteen. On the evening of the 6th, between 7 and 8 o'clock, a native was beating his mother, and Hutton and Wingo both went to the house to quiet the disturbance. Some police of the town also arrived shortly after, who did not recognize Hutton as an officer, and, mistaking his position and resenting his attempt at authority over them, one of them struck him on the head with a club from behind. Dr. Wm. H. W. Wilson and Dr. A. E. Anderson, from Camp Morrison, were summoned. They performed an operation on the crushed skull and did everything in their power to revive the unconscious officer, but without avail, and he died the next day in the hospital at Camp Morrison. Lieutenant Hutton left a wife at San Fernando, La Union, but no children. His estate was administered by the treasurer of the Philippine Islands, in conformance with Act 290 of the Commission. The policeman who struck the blow was tried and sentenced to three years' imprisonment and a fine of \$1,000.

The typhoon of October 25 destroyed a great many buildings in Vigan, and the military post at Salomague was almost totally destroyed.

The mutiny at Vigan, which occurred on the night of February 7, was a very serious affair while it lasted, but by the prompt action of the constabulary of adjoining provinces,

and the quick response of the acting chief of constabulary, Colonel Scott, who came up in person with reinforcements of scouts and constabulary from Manila, and the quick action of the honorable civil governor and the division commander in calling out additional scout companies and the American troops at San Fernando (which latter were commanded in person by Colonel Thomas, Eleventh Cavalry), the mutiny and whole affair was completely ended in only eleven days, with all the renegades captured except 3 and all arms recaptured except 4 carbines and 3 pistols.

The district chief had just returned from the Cagayan Valley and had only been three-fourths of an hour in Vigan when the affair started. Had there been 7 good serviceable guns available at the start there would have been a different result. As it was, the Americans were all scattered and unarmed. It is safe to say they will not be caught that way again, however. The first thing to do was to get arms. These did not arrive until the renegades had left town. Meantime all that was possible was done by the Americans, who got together as best they could with their pistols and a few old relics of guns. There were quite a number of American women and children in the town, families of officials, etc., which made the situation more grave. The coast-guard cutter *Negros* was at Pandan and she was dispatched to Salomague to seek assistance, Captain Roisser responding to the call with a promptness for which he deserves credit. The disappointment was indeed great when the commanding officer of Salomague, Lieutenant Neisser, of the scouts, sent word down that he would render no aid either with men or arms. Considerable might have been accomplished with even a small force of well-armed men at this time, and Lieutenant Neisser's action in refusing to send either men or arms was regretted. He was probably right technically, according to his orders and instructions, which it is hoped will be immediately changed in such manner as to prevent a recurrence of such a back-action and craven interpretation and for the general peace and welfare of the American Government in the Philippines, and that another American colony may never again be denied support and protection by United States troops. The constabulary officers in Vigan, being, as they were, in their unarmed condition that night, are to be commended for their behavior and the manner in which they preformed their duty in an extremely trying and desperate predicament, and all Americans are fortunate that the result was not more serious.

As all the wires had been cut to the southward by the renegades, the district chief dispatched the cutter *Negros* during the night to pick up the small detachments of constabulary at San Esteban and Candon, numbering 10 men, before the mutineers could reach those places, as it was impossible to give them warning. When this had been done and the detachments safe at Vigan, the following morning he left on the cutter for San Fernando to get in touch with Manila, notify other provinces to block trails, and to head the La Union constabulary to intercept the renegades, while Captain Hendryx was to pursue them from the northward with all the forces he could muster.

The prompt appearance of large bodies of troops of all branches of the service, both United States and insular, and the blocking of all mountain trails, had a very demoralizing effect upon the renegades, and they began to lose heart in their enterprise on finding that the people in the section of the country in which they found themselves were not in sympathy with them and would not help them. The result is well known. They began hiding their arms and presenting themselves by twos and threes in such a manner that would insure their not being shot by the scouts, constabulary, and soldiery. All honor is due Col. W. S. Scott for his efficient and successful management of the campaign.

An extract of Captain Hendryx's report of the affair from its inception is given below:

"In the latter part of December or the beginning of January of this year Artemio Ricarte, 'The Viper,' passed through Arayat, Pampanga, on his way to Nueva Ecija. While crossing the river by the ferry, Ricarte, it is alleged, gave the ferryman, named Calixto, a letter to be delivered to Nicolas Calvo, who was, during the insurrection, one of Ricarte's officers, but then a second-class private in the constabulary of Ilocos Sur, on detached service in Arayat. This letter, while its contents are not absolutely known, it is to be presumed, so far as information can be obtained, appealed to Calvo in a manner best suited to serve the purpose of the 'Viper.' Calvo, it seems, showed this letter to Carlos Ayala, who was a corporal in the same detachment, and had been sent to Pampanga Province in charge. The letter, it seems, appealed to Ayala, with the result that the question of revolting was seriously discussed by them while stationed at Arayat, and with one or two other companions, but the futility of accomplishing anything was recognized, notwithstanding Ayala's desire to revolt then and there. Consequently the matter was deferred until they could return to Ilocos Sur.

"About this time rumors reached the senior inspector of Pampanga, so he says, of things not being quite right among the members of this detachment, but on account of the good work that many of them had done in the past he was loath to believe any change against their loyalty.

"Shortly after their return to Vigan, on January 26, either Calvo or Ayala, or both, proceeded to work among their comrades in whom they had confidence, both with the civilians

and members of the constabulary. As to which took the initiative I have been unable to determine, each accusing the other, and neither admitting that they were willing or really wished to revolt until practically the last moment. However, by plausible explanations, the following members of the constabulary were obtained to further the mutiny: Carlos Ayala, Teodoro Edralin, Macario Agapay, Domingo Rallojay, Nicolas Calvo, Paulo Peralta, Doroteo Ayson and Leon Almariz. It is to be presumed that the above 8 circulated among their civilian friends so that there were practically 8 groups, with the result that two days previous to the revolt it was decided to avail themselves when an opportunity presented, and on February 7 two of the above named conspirators, Leon Almariz and Paulo Peralta, were on guard, one on duty at the cuartel and Peralta acting corporal at the prison.

"Calvo, it appeared, went out late in the afternoon or about supper time, it is to be assumed, to meet certain civilians who were to take part in the revolt. Suffice to say that he returned to the cuartel about 7 o'clock, when Leon Almariz was on guard, with one party of 8 civilians from Bantay, a barrio of Vigan. These civilians Almariz, the sentinel, permitted to enter the cuartel, notwithstanding the fact that they were armed with bolos and puñales, and at a time when there were but few soldiers in the cuartel, with the result that the mutineers had but little difficulty, with the cooperation of the renegade soldiers, in securing possession of the arms, Almariz, the sentry, continuing to remain at his post, but directing his attention to the action of the renegades and civilians in seeing that their purpose was accomplished. All being to his satisfaction, several shots were fired in the air, evidently as a signal, as shortly afterwards many more civilians entered the cuartel under command of Formentes, an ex-sergeant of the constabulary, estimated to be about 20. Possession of the commissary was then taken and the bandits proceeded to equip themselves with the necessary clothing. Simultaneously the work of liberating the prisoners was accomplished by 3 men, Doroteo Ayson, Domingo Rallojay, and the acting corporal of the guard, Paulo Bernalta. Meanwhile they fired a volley up and down the streets leading from the barracks, and a running fire seemed to have been kept up by many of these renegades, who seemed to have been drunk with their success of the evening, and small detachments sent out to different localities gathered up many soldiers, who were attracted by the shooting, and, as a natural consequence, hastened in the direction of the cuartel with a view of reporting for duty. These were either voluntarily or by intimidation taken into the ranks of the revolvers and, for the evening at least, appeared to enter into the spirit of the mutiny. Other detachments hunted up civilian friends or soldiers whom they believed were in sympathy with the movement, with the result that the sentry on guard at fourth district headquarters was gathered in; also the revolvers taken from the 3 native linemen and 2 taken from 2 soldiers of Abra who were then in town and were forced to accompany the renegades toward the cuartel, but fortunately were enabled to make their escape through the fear that suddenly overcame this particular detachment on hearing the voice of an American. One of the arguments that appears to have been advanced was that the situation was entirely in the hands of the revolvers, and that all the officers were killed and the uprising was general. At least that is what many of them testified to in court. Notwithstanding that there was considerable shooting throughout the entire evening, strange to say, only 1 man was hit, and he a member of the constabulary, who was killed by his comrades. The house above the commissary during this revolt was occupied by an American and his wife and the wife and child of the division superintendent of schools, the latter being away on an inspection tour. Fortunately the revolvers did not attempt to molest them. Only one ball went into the house, and that seemingly fired for the purpose of extinguishing the street light which was secured in the corner of the house. It is reported that the house of the telegraph officer, Lieutenant Sides, was fired into by small detachments, but whose operations ceased through the resistance offered them by a liberal use of a Winchester rifle in the hands of Lieutenant Sides. My house was also fired into and means taken to decoy me outside by a detachment of renegades sent there for that purpose, but, as I was at that time in the house of Major Garwood, where I had gone to pay my respects, this being the night he returned from the north, their attempt failed.

"Lieutenant McRae, in going to the cuartel, was the first man fired upon. Recognizing the condition of affairs, he hastened to the house of Major Garwood and reported the revolt among the constabulary to the Major and myself. It was decided that as we were not armed, there being only some old relics in the Major's house, Lieutenant McRae should proceed at once to Pandan, he being mounted, and secure the guns in the possession of the 4 constabulary guards sent there to guard prisoners who were loading the exposition collection for Ilocos Sur and guard supplies, and secure such other guns and assistance as might present itself from the coast-guard boat then at Pandan. There were, I believe, a shotgun and 1 revolver aboard the boat. Lieutenant McRae, securing the guns from the guards, placed the prisoners aboard the boat, turned the guns over to 4 passengers, Lieutenants Knoll and Abra, Messrs. Allyn and Wells, of the quartermaster's department, and Mr. White, civilian operator, who had been relieved from duty at Laong, and Captain Manchester, and ordered the captain of the coast-guard boat, by direction of Major Garwood, to proceed to Salomague and secure such guns and assistance as the company of scouts stationed there could give,

afterwards walking from Pandan to Vigan, and reporting for duty upon arrival to Major Garwood. On account of the various delays experienced by Lieutenant McRae in getting away at Pandan, and making a long trip from the landing in Pandan to the coast-guard boat and return, his party did not reach Vigan until after the renegades had left the town. When the firing had commenced I called the attention of the Major to shots, at first two or three in number, but he discredited it with the explanation that it was the muchacho rolling around some boxes below. Later on, however, the firing was confirmed by the appearance of Lieutenant McRae. Lieutenant Greene stated that he met the provincial fiscal, who, being very much excited, stated that a woman who had just come from the direction of the cuartel had stated that the soldiers and municipal police were fighting. This, with the firing we had heard convinced him that the affair was serious.

"He hastened to his quarters and secured his carbine and, in company with Mr. Darling, a civilian stenographer at fourth district headquarters, went to the office, where he relieved the guard stationed there, except the sentinel, who continued on post until taken up by the detachment revolvers. Lieutenant Greene, taking with him 3 guards, 2 of them armed with carbines, 1 of them unserviceable, proceeded in the direction of the cuartel, where their presence was resisted by a heavy fire on the part of the revolvers, so much so that they sought shelter for the time being in the presidencia, where they met the late Lieutenant Arthur, who was unarmed, except with a pistol. In company with the acting first sergeant of the constabulary of this province, Lieutenant Arthur had been grazed on the arm by a bullet. No shots were fired by Lieutenant Greene, so he says, as at the time he did not know the state of affairs, he thinking that Lieutenant McRae was at the cuartel. Meanwhile the guards who had accompanied Lieutenant Greene remained in the presidencia and refused to give up their arms to strangers. Several attempts were made by officers to enter the cuartel without success. Upon seeing the impossibility of entering the cuartel, Lieutenant Greene, Mr. Darling and Mr. Harn, chief clerk of fourth district headquarters, who was picked up at the presidencia, went to the house of Major Garwood to report the affair and to place themselves under the orders of the Major.

"Meanwhile the Americans were concentrating in the house of Major Garwood and that of the provincial treasurer. About this time Lieutenant McRae and his party reported to the Major from Pandan with the arms, and the latter, with a detachment, went immediately to the barracks, expecting to find the renegades still looting. They had accomplished what they had evidently intended to, however, and had left town. Steps were then taken to have all the Americans go to the house of the Major, lest the revolvers return to the town before morning for more sack and plunder, and an examination, as far as possible, of what had been done was made. They found in the commissary that the safe had been broken open and moneys taken therefrom amounting to P 864.16; commissaries largely in "dulces" to the value of P 205.88, and clothing amounting to P 1,069.72, or a total of P 2,139.76. At the cuartel they found everything in great disorder and nearly everything destroyed, but discovered that the renegades had overlooked or had purposely left about 8 police shotguns, which were mostly unserviceable, and also considerable ammunition. Also, in the corral they found 2 carbines which the guard at that place had evidently tried to conceal, the carbines being found under a structure of bamboo. All of the above was taken to the house of Major Garwood. At about 4 a. m. 'assembly' was sounded throughout the town in order to get together all the soldiers that had stayed behind. Many reported and each patrol brought in some. These the Major ordered armed with the carbines and shotguns that had been left behind. It was then daylight and the major ordered that they proceed to the cuartel, post guard, and carry out the usual routine duties.

"In the morning the coast-guard cutter having returned from Salomague, the captain reported that the commanding officer of scouts, Lieutenant Neisser, refused to assist in any manner without orders from division headquarters; that he would not come himself or send any arms. Major Garwood then directed that the cutter go down and pick up the 5 men stationed at San Esteban, also the 5 men at Candon, and bring them to Vigan. The Major then went aboard and left for San Fernando, La Union, to secure the constabulary of that province to intercept the renegades on their way south. Next day I succeeded in gathering 25 Americans, who were mounted upon available horses of this post, and proceeded at once on the trail of the renegades, leaving here very late in the afternoon and riding nearly all night, arriving at Santa, where we established a telegraph office, Inspector Manchester in charge.

"Meanwhile the renegades, having spent their force around the cuartel and vicinity, used such prisoners as were not armed as cargadores, taking with them ammunition and commissary stores; going south they rested in one of the barrios of Santa. Here a number of the renegades, having cooled off some of the excitement which controlled them around the cuartel, managed to escape and return to Vigan. Early next morning the revolvers went to Narvacan, where they practically made the treasurer give up all the money he had, which was 28 pesos, the same being distributed among the renegades, some of them receiving 50 cents. Here the revolvers rested and breakfasted. After taking a horse from the ex-presidente of the town for Carlos Ayala, they traveled south to Santa Maria, where they went to the presi-

dencia and secured about 200 pesos from the treasurer of the town, giving 4 or 5 pesos each to the different renegades, according to their grade, and made presents of clothing and commissary sweetmeats to the citizens. From there they continued their march south to San Esteban, where the house of Joel Snell, the American school-teacher, was entered and 1 Parker double-barreled shotgun, a target rifle, certain moneys, checks, jewelry, clothes and sharpshooter's medal were stolen by the bandits. From here they went to Santiago, where they stole about 350 pesos from the municipal treasurer, distributing it in amounts of 5, 8, and 10 pesos to the different soldiers, according to rank, and succeeded in getting their pictures taken, a copy of which is herewith inclosed with the names of such members of the band as can be recognized. The presidente provided these bandits with dinner or supper, and here they rested for the night, the jefes in the presidencia and the soldiers and subordinate officers in the convent. On the succeeding morning, after breakfast, the band left, skirting the eastern barrios of Candon, resting at Abaya for dinner, and from there marching on to one of the outlying barrios of Santa Lucia. The bandits now began to be more cautious and to realize that they were being pursued and cut off. In consequence they split up in three divisions, Ayala and Agapay going in the direction of Santa Cruz, and the others, after wandering around, gradually began to separate and discard the uniform for that of the 'paisano' that they might present themselves with the least possible danger. With each succeeding hour the trails of these renegades increased and the question of food became an important factor in bringing them to a realization of their acts, their condition resulting in a speedy settlement of the revolt.

"Four troops of the Eleventh Cavalry, from San Fernando, under command of Colonel Thomas, the First, Twelfth, and Fifteenth Companies of the Philippine Scouts, and a detachment of constabulary from the headquarters troop took the field against the bandits. This demonstration, together with finding all trails cut off leading to the mountains, demoralized the revolters and, I believe, will have a lasting influence on the people of this section.

"Carlos Ayala, Macario Agapay, and 7 civilians with 8 guns were the first to be recovered, they presenting themselves to the presidente of Santa Lucia. From this time on the rest, with the exception of 3 soldiers, were either captured or surrendered. As fast as they came in they were sent to Vigan for confinement and trial.

"The following week after this affair everything settled back into its natural way. At present the province is perfectly quiet."

The following are the sentences awarded by the court of first instance at Vigan in the mutiny cases: Death—Corporal Carlos Ayala, Second-Class Private Macario Agapay, Second-Class Private Nicolas Calvo. Forty years and fine of ₱10,000—Second-Class Private Ancelmo Ygarta, Second-Class Private Pablo Silvestre, Second-Class Private Maximiano Manganaan, Second-Class Private Santiago Asuncion, Second-Class Private Bruno Propio, Second-Class Private Modesto Polido, Second-Class Private Teodoro Edralin, Second-Class Private Cenón Lazo, Second-Class Private Antonio Guerzon, Second-Class Private Benito Paez, Second-Class Private Doroteo Ayson, Second-Class Private Mariano Vallehermosa.

Major Mair, with a detachment from headquarters troop and Pampanga constabulary, was sent up as a safeguard against possible trouble during the trial and sending of the sentenced men to Manila, which, however, was accomplished without incident.

In connection with the trial and conviction of these renegades, special mention is due Mr. Vicente Singson, the efficient fiscal of this province, whose interest and energy in the prosecution of these cases was very marked.

ISABELA.

Disposition of constabulary June 30, 1904.—Ilagan: Capt. Theo. I. Owens, senior inspector, Second Lieut. Edw. Collins, supply officer; Second Lieut. H. R. Talbott, medical officer; Third Lieut. G. A. Helfert, 59 men. Echague: Second Lieut. Joseph Delaney, Second Lieut. James Treadway, Subinspector Domingo Danuey, 67 men. Detached service: Fourth district band, 3 men; from Abra, Subinspector Guillermo Ferrendez; from Cagayan, 22 men; from Ilocos Norte, Second Lieut. Jas. J. McLean, 39 men; from Ilocos Sur, 1 man. Total, 2 stations, 9 officers, 191 enlisted men. Authorized strength, 162.

Expeditions and patrols, 166; miles covered, 9,737; engagements, 3; outlaws killed, 16; outlaws wounded, none; outlaws captured, 3; arms and ammunition captured, 32 rifles, 5 revolvers, 112 rounds rifle ammunition; other property recovered, 15 horses, 4 carabaos, large amount of quartermaster supplies lost by scouts; constabulary casualties, 1; arms lost by constabulary, 1 Springfield rifle.

This province is rapidly assuming its normal state of affairs, after having been through the turmoil of almost a general insurrection brought about by an ex-officer in the insurgent army, named Manuel Tomines.

It had been known for some time that a small band of bandits had crossed over into Isabela from Nueva Vizcaya, and as no headway had been made against them, and reports were meagerly sent in, First Lieut. William Greene was sent up to take charge of Isabela,

which he did on December 19. He immediately reported that there were several large bands of bandits well armed and ammunitioned operating in southern Isabela, where they were apparently aided by all the people and were growing in numbers and power, the chief being the aforementioned Manuel Tomines, who styled himself a colonel, and having as his second in command an American deserter from the Sixteenth Infantry, named Maurice Sibley; that they had between 30 and 40 guns, mostly Krag-Jorgensens and Mausers. This report was followed by a request for some officers and men to be sent to aid him, as he deemed his force too inadequate and inexperienced to cope with this bandit force, which was growing daily.

The district chief immediately took steps to comply with this request, and taking the field in person, arrived in Isabela on January 10 with 7 officers and 173 enlisted men from the provinces of Abra, Ilocos Norte, Ilocos Sur, and Cagayan. Prior to the arrival of these men, however, on the night of January 2 Tomines himself began the campaign by attacking the town of Naguilian. His prime object apparently was to kill the justice of the peace, Señor Vicente Cauila, who had fearlessly prosecuted captured members of his band and had been instrumental in the capture of 2 rifles. Tomines had two brothers and quite a number of other relatives and connections in Naguilian, who were continually secretly aiding him, although one of his brothers, Silvestre Tomines, was in fact the municipal secretary of the town. It is on record that they all aided Tomines's forces in getting into the town on the night of the attack. One barrio, called Tomines, and composed of relatives mostly of the Tomines family, joined the bandit's forces in a body and entered Naguilian. The forces altogether numbered about 200 men. There were between 30 and 40 guns in the band. The rest were armed with bolos.

There was a small detachment of constabulary in the town under command of an acting corporal, and the attack was directed simultaneously against them and the house of the justice of the peace, who was absent. The small constabulary forces taken by surprise, retreated across the river to the west of the town, losing 1 soldier killed in the town. The bandits, not finding the justice of the peace at home, ruthlessly murdered his wife, riddled his house with bullets, beat one of his brothers nearly to death, and carried off two women servants.

The constabulary found the justice of the peace on the other side of the river in the town of Gamu, and on the following morning they returned to Naguilian. Upon arriving, the justice of the peace went direct to his house to ascertain what the bandits had done, and some of the soldiers, about 5, went to the tribunal with the acting corporal to disarm the municipal police, whom they had reason to believe aided in the fight against them the night before. The brothers of Tomines, with some other people, were in the tribunal evidently having a ratification and taking stock when the corporal arrived and stated he had come to disarm the police, etc. Silvestre Tomines became very abusive immediately and threatened the corporal, who started to go up into the tribunal, whereupon Silvestre grabbed a police shotgun from the rack and fired point-blank at the corporal, who avoided the shot, however. Several constabulary with the corporal fired about this time at Silvestre and several others who had grabbed arms and run to his assistance, and a general fusillade began. Silvestre Tomines, together with Alejandro Tomines, a cousin of Manuel, the bandit, Francisco Acosta, brother to wife of Tomines, Benito Acosta, also cousin, and Espiridon Landay, lieutenant of the barrio of Tomines, had come into the town en masse with the bandits the night before. The vice-president, Romualdo Romena, was in the tribunal, but stated that when he saw Silvestre Tomines fire through the door at the corporal and the general shooting began, he jumped out of the window. He was implicated himself, but turned state's evidence and stated that Tomines's brothers and other relatives in the town had aided him in every way possible. Several other eyewitnesses of the affair the night before also testified that they had seen Silvestre Tomines, his cousin, and also Francisco Acosta, in company with the bandits on the night with guns in their hands and stated the kinds of guns they had. One municipal policeman also made the same statement.

It was undoubtedly a good thing for the province of Isabela and the whole Cagayan Valley that these men brought about their own killing as they did, for they were all notoriously bad, were against the government and doing everything in their power to aid the Tomines insurrection both openly and underhanded.

The attempt was made by an unscrupulous American lawyer and his retainers, mostly Ilocanos interested in land questions and other deals with the native Cagayanes and Tabacalera Company, to show that this was simply a tribal war, but nothing could have been farther from it as there were Cagayanes and Ilocanos on both sides, although the justice of the peace is a Cagayan while the Tomines clan are Ilocanos. I might here state the grandfather of Cauila (the justice of the peace of Naguilian) brought the grandfather of the Tomines tribe from Ilocos Norte in peonage with several other Ilocano families and placed them on ground, gave them implements and cattle with which to till their ground, and gave them such consideration that in the course of several years he was independent himself. It must be said that the Ilocanos are hard workers and this family grew and prospered. Some question arose after the death of the old man, however, which created

bad blood between the families of Cauilan and Tomines, which has existed until to-day, and as each family has a strong following, makes the matter to be considered. However, the Cauilans have shown themselves to be with the government and the other element undoubtedly have not been; but as there are Cagayanes and Ilocanos in both factions, the tribal war question must be left entirely out. Neither were politics nor town elections the cause of the trouble as had been asserted.

Prominent Cagayanes and Ilocanos were early found to be badly mixed up in the movement in the south of the province, as well as some Spaniards employed by the Tabacalera Company, and early in January some 45 persons were arrested by Lieutenant Greene. This number included the following "principales" and influential men in the province: Ambrosio Logan, Marcos Baccay, Ignacio Flores, Victorino Cruz, Bernardo Billamil, Santiago San José, and Manuel San José. The 3 Spaniards arrested were Francisco Balbas, Francisco Martinez and Teodoro Galvis, all agents of the Tabacalera Company. The above were all convicted of aiding and abetting the ladrones before the court of first instance except Teodoro Galvis, who was acquitted. The Tabacalera Company was not, as a company, found to be mixed up in the affair.

Inspector of Fiscals James Ross came up from Manila the latter part of January to make investigations and aid in the prosecutions, and was untiring in his efforts. His services were very valuable in putting down the trouble.

The campaign dragged along until March without much result. A great many captures and arrests were made during this time, and it appeared as if the provincial jail would not hold all the prisoners. Meanwhile the Vigan mutiny affair came off, and the district chief, who had gone down to attend to some official business there, became mixed up in it and stayed and aided in winding it up, which, however, took only eleven days. He immediately returned to Isabela, where things had lagged somewhat, and took vigorous hold of affairs there, with the result that by March 30 the "Isabela insurrection," as it had been called, was also completely wound up, terminating virtually with the capture of the bandit chief, Manuel Tomines himself, which was accomplished on the night of March 27.

The bandits had been pressed very hard and Tomines and Sibley had separated, the former taking most of the rifles with him. His band was hit several times very hard and his men had begun to leave him and surrender. Several were captured with their arms while in the barrios endeavoring to get food.

On March 21 Sergeant Botol, with a mixed detachment of Abra and Isabela constabulary, struck Tomines in the barrios of Mallid, jurisdiction of Cagayan, and after a short fight routed the whole band, capturing 2 Krag-Jørgensen rifles, 3 Mauser rifles, and 1 Remington rifle, 3 Krag belts, 1 constabulary belt, and 588 rounds of ammunition, together with 2 boxes of clothing. Sergeant Botol is of the Isabela constabulary, and the above is mentioned because it had been reported to Manila at the time when someone wanted scouts sent up to Ilagan that the Isabela constabulary force worked harder, more cheerfully, and showed more loyalty in Isabela than the constabulary of that province. Too much credence should never be given to the remarks or recommendations of inexperienced persons.

On the night of March 27 Tomines himself was captured, while making a visit to his brother's house in Naguilian to get food and clothes. The capture was effected by Lieutenants McLean and Collins, with Subinspector Ferrandez and 2 enlisted men. Notice was received late at night and the above went immediately to the house and surrounded it. Lieutenant McLean entered the house by the back door and Collins by the front, while Ferrandez and the 2 men stood on guard outside. Tomines was found sitting on the edge of a bed with his revolver in his hand, but was apparently dozing. McLean jumped across the room and wrenched away his revolver before he could fire. The two rolled to the floor together, and McLean probably choked the bandit longer than he should. The first words he used, however, after McLean's pressure had been removed was to mention the name of the Savior in English. This was about all they could get out of him that night and he continued repeating it. He afterwards stated that he had been taught that expression by the deserter Sibley, and also told them the next day where he had hidden 13 rifles when his band had broken up. He does not deserve the credit for this information, however, as one of the men captured with him gave the information before him. The 13 rifles were secured the next day by McLean and Ferrandez. They were 7 Krag-Jørgensens, 3 Mausers, 2 Remingtons, and 1 Springfield, the latter having been captured by them in the fight at Naguilian.

The total arms captured during the campaign were 11 Krag-Jørgensen rifles, 10 Mauser rifles, 6 Remington rifles, 1 Springfield carbine—a total of 28 rifles. Three revolvers were also captured and 1 presented. Tomines's entire band was captured or killed, except 5 men who are now with Sibley. Tomines has been sentenced to death and is now in Bilibid with most of his followers and supporters.

Sibley, with 5 men, is now back in the mountains from Dumabato and has taken with him all the people from the Ilongote rancherias or towns of Dumabato, Mangrad, Tamsi, Panipagan, and Cagadangan. These people are the ones who sheltered and protected him and the guns he has guarded since the insurrection. He is married into their tribe and wields

a strong influence over them. When Tomines was captured he went back to them and the headmen and inhabitants have all gone back into the mountains with him. It is believed unwise to adopt stringent measures against this whole tribe except as a last resort.

Captain Long has taken 6 or 8 ex-commissioners for Igorrotes under the Spanish government, and friends of the people of long standing, back into the mountains in an endeavor to confer with Chiefs Consul and Unmen in order to explain to them the necessity of returning to their homes and surrendering to the authorities this enemy of the government. The fourth district chief has studied Igorrotes considerably, and at times drastic measures of necessity have to be used against them. In case this mission fails by conference and presents to bring about the capture of this man, his influence will grow and extend into the Vizcaya Igorrotes, who are bad enough already.

Tomines made a very complete statement to the district chief after his capture. This statement is believed to be true in most respects and some extracts are given below. The whole statement can not be given in this report. Suffice it to say that he went to Manila in January, 1903, where he met the revolutionary "ring," who primed him up in proper manner for the part he was to play in Isabela.

"He came back to Isabela in May on the *Bunuan*, and in about four weeks or a little more after his return Fidel Lipa and Isidro Justo came up from Manila via Nueva Vizcaya. They met in a house or camarín belonging to Lucio Valensuela, near Maraurai. Ambrosio Logan and Maurizio Sibley were called. These men, when they found Tomines, told him they had come from the persons with whom he had conferred in Manila; that he did not wish to commit himself in any way before they had demonstrated who they were, so he asked, 'Who?' and they answered '———.' Then they showed him a paper authorizing them to organize forces; that this paper was signed 'A Ricarte, general-in-chief.' He saw the letter and signature and studied it well. The papers stated that they should go to Ilocos Norte, Ilocos Sur, Union, and other parts and organize for the new revolution. Operations were to begin in January, 1904. That Lipa, after signing his name, placed below it the symbolic word 'laurel,' and that Justo added the word 'canela' (name of flowers). That at the meeting near Maraurai he, Tomines, was elected to be chief of the Cagayan Valley, with the rank of colonel, and Sibley third, with the rank of major. Ignacio Flores was made commissary, with the rank of lieutenant-colonel. After the meeting the two emissaries left. He does not know whether they went to Aparri or south. That Logan afterwards gave him his star as colonel. That he and Sibley went from Maraurai to Quinalabac and from there to Bacabac, a rancheria of Ilongotes near Naguilian, and kept between these places until the last of October, when they came down the river further to ascertain the attitude of the people better. His guns were arms that had been retained out and hidden by Col. Raymundo Jeciel when he presented himself to Major Allen, of the Sixteenth Infantry, at Echague. These guns were guarded by Sibley, up about Dumabato. Sibley had been an officer with Jeciel. They were mostly Krag and Mausers. Some had been captured in the valley and others had been brought in from other provinces, some from Nueva Vizcaya and others from Ilocos Norte and Ilocos Sur.

"That in conformance with his instructions he began operations on January 3, 1904, by attacking the constabulary garrison at Naguilian. That he thought he would have only the constabulary of Isabela to deal with, but they were brought in from other provinces, and he was chased so that his men began to desert him and others were captured, and after Sibley left southward he was compelled to bury some of his arms. That on the night of March 27 he went to his father's house to get some clothes to wear and something to eat and was captured."

No further trouble will occur in Isabela for some time to come, as the province has been taught a very severe lesson. Governor Dichoso, who is a native Cagayan, was very loyal and tireless in his efforts to aid the district chief, riding with the latter night after night over the province between the different towns, haranguing them and using his utmost endeavor to get them in line. Some of the towns were badly affected, and considerable credit is due Governor Dichoso, who is very loyal and not the weakling that some would paint him. It was lamented that he was relieved so soon after success had been secured, largely through his tireless aid.

The new governor of Isabela, George Curry, has taken hold and will undoubtedly make a good governor. Too much attention can not be paid to the wild tribes and people of Isabela, who number thousands and have been almost totally neglected since American occupation. In this connection attention is respectfully invited to their government.

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The corporal undoubtedly acted very hastily. At any rate, he could easily have avoided shooting the presidente, as it was not absolutely necessary in self-defense. The corporal was tried by the court of first instance, and as evidence was produced by the presidente's friends that the corporal had previously threatened his life, he was convicted and sentenced to fifteen years' imprisonment. The case has been appealed, as no confidence whatever was placed by the constabulary authorities of the province in the testimony given by the presidente's witnesses, and it is believed their testimony will prove false. It is further believed that a decision against the action of one of the municipal police at this time, who, in line of duty, perhaps too hastily exposes himself, would undo a great deal of the work we are endeavoring to build up in elevating the character and independence of the poorer class against the corroded influence of the other "principale" class.

The crops in the province of La Union have been excellent during the year. The rice crop recently harvested is the largest the people have known for years. The untiring efforts of the people to exterminate locusts prevented that pest from doing much damage. The storm of October 25 destroyed quite a number of buildings in the province, but did not damage the crops much. The province is badly in need of bridges on the main road along the coast leading north from San Fernando, hardly any of which are passable at present. The new governor, Señor Joaquin Luna, was inaugurated on March 7, and the recent municipal elections are thought to have resulted most admirably for the future of the province. The presidentes are all of the better class of Filipinos, being young and energetic, and a great many speak English. Much activity on their part for the good of the province is looked for.

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Conditions in this interior mountain province are very good. The inhabitants are nearly all Igorrotes, with a sprinkling of Ilocanos. The greatest difficulty encountered by the constabulary of this province is in transportation of their supplies to and from the coast.

The supplies for this purpose are unloaded at San Esteban, Ilocos Sur, and at present are carried inland by Igorrote carriers. This system, however, is very unsatisfactory and expensive. Requisition has been made for a pack train for this work, and if the number asked for in the requisition is supplied it will do away entirely with the unreliable and expensive Igorrote carrier system.

In the month of November the district chief made an extended, and what proved to be a very interesting, trip through the savage, remote mountain district in the back country of the two provinces of Abra and Lepanto-Bontoc. The start was made from Bangued, Abra, on November 21. The Cordillera Real was crossed on the 26th. The party then went down the Saltan River country as far as Balbalasan, visiting on the way the towns of Bucay, San Jose, Manabo, Lamao, Lingey, and Tu-i. Balbalasan is where a constabulary post had been recommended placed by Captain Nathorst, who was the only official from Lepanto-Bontoc who had ever visited that section. From Balbalasan the party was compelled to take up its travel afoot, as horses could not be taken further. The route lay through the towns of Gadang, Guinaan, Poapo, and Lubuagan. Thanksgiving Day was spent crossing the Cordillera Real, and the Cordillera Central was crossed November 28, the party climbing from daylight until 8 p. m., and reaching an altitude of about 6,500 feet. The people were extremely friendly in all the towns except Lubuagan, where they almost showed open enmity. By treating them in a very friendly way, however, and making them little presents, we gained their friendship and were fairly well treated during our stay, which was only overnight. Our route lay from there through Mabontoc, Bangued, Tinglayan, thence down to Bontoc, the old capital of that province. The party struck the coast again at Candon. The district chief arrived at Vigan on December 16.

The expedition was extremely instructive. An American flag was presented to each wild Igorrote town, and presents were also made of brass wire, red cloth, pipes, gee strings, and other stuff to the people as we passed along. They thought a great deal of the flags in all the towns except the town of Lubuagan mentioned above. At that place the flag was presented with some ceremony to the "baccag," or headman, but it was stolen from him by some of his retainers, and when he endeavored to find it he could not do so. The people of this town are not very friendly with either Mabontoc or Balbalasan, and are at open enmity with Bangued, which is farther down from Mabontoc. At Mabontoc the character of the people changed very noticeably, and we were received in a very friendly manner. This is due to the fact that this place is visited from time to time by Americans from Bontoc. It was intended by the district chief to visit also the Quiangan country of Nueva Vizcaya, but on account of the rains this part of the trip had to be canceled. At present in these black savage Igorrote districts there is no recognized law except their own savage customs which have been prevalent for centuries. The people murder and plunder each other at will. They recognize the Government of the United States, but are never visited, some of them, and have no directing hand in close touch with them. A constabulary garrison of some strength has been placed at Lubuagan, which is in charge of Lieutenant Miller, a clean, efficient, and tactful officer. Attention is invited to recommendations given at the end of this report for the proper government of these people.

On the night of October 25 a terrific rain and wind storm struck the province, lasting all the following night and doing considerable damage. An enormous quantity of water fell, more than ever known before. Nine people were reported killed—5 being buried by a landslide at Mancayan and 4 drowned at Abayag. The constabulary buildings at Cervantes were badly damaged.

On November 14 Captain Nathorst was relieved as senior inspector by First Lieut. E. A. Eckman, the former having been assigned to command the province of La Union. In May of this year Captain Nathorst was recommended to command Lepanto-Bontoc, however, and as he wields considerable influence with the Igorrotes there by virtue of his long residence with them, it is thought the little troubles which have cropped out will soon be regulated.

During the month of January several cases of head-hunting were reported from the northern section of Bontoc, and the lieutenant-governor of the province, Mr. Folkmar, and Lieutenant Bennett attempted to apprehend the perpetrators of the depredations, but without much result. A detailed statement of this will be found in the report of the district chief for the quarter ending March 31, 1904.

In the Asin and Quiangan Valley districts, which lie across the boundary in Nueva Vizcaya Province, the Igorrotes are of the very worst type. That district being so isolated, they are seldom visited by any other Igorrotes or anyone else, and it is well known that any Igorrote driven from a Lepanto or Bontoc town for misconduct or crime usually takes up his residence there, where it is hard to ferret him out, as he is generally protected by the many shady characters who live there. News travels very fast among them, and they are aware as soon as a strange person, Igorrote or other, sets foot in their section. They have quite a number of arms, some of them Krag and Mausers, which they apparently take good care of and use them when any intruders come into their territory.

Considerable trouble from time to time has especially been caused by the Igorrotes of Guines, Nueva Vizcaya Province, coming over the divide into Bontoc, making reprisals and carrying off heads of the Bontoc villagers. These Guines people are Mayayaos, and their special energies seem to be directed against the town of Balangao in Bontoc and not far from Guines, but two or three days' march from Bontoc over an almost impassable trail. The town of Guines lies about 12 miles beyond the eastern boundary of Bontoc into Nueva Vizcaya. The exact location was not known until Lieutenant Miller, who recently made a trip over there, made his report. Miller thinks the *teniente* of "pusijes" (an Igorrote corruption for "fusiles," which in English means guns) mentioned in his report is probably an ex-insurgent renegade who has made his retreat in that district for some time, and has gained some influence by virtue of a few guns, and has gathered some Igorrote warriors around him as a combination for defense and offense. It is understood that there are now constabulary posts at Quiangan and Banauey, in Nueva Vizcaya Province. These detachments are well placed to keep law and order there and in the vicinity of Guines, and it is hoped that these people will now be prevented from making further raids over into Bontoc.

When notice of the depredations in Bontoc by these Nueva Vizcaya savages was first received, the governor of Nueva Vizcaya was notified by wire. No answer, however, was received from him, and the senior inspector of Lepanto-Bontoc considered he was justified in sending some Bontoc constabulary down there. The expedition was a hard one and over very bad trails. Lieutenant Miller, who was in command of the detachment, has made a very interesting report, in which he describes the way in which these savages fight among themselves, and is the first constabulary officer and undoubtedly the first American who has witnessed one of these combats in a manner from which he could make an authentic report. An extract from Lieutenant Miller's report follows:

"The object of the expedition was to arrest five *alzados* of the barrio of Guines for whom I held a warrant. These five men were charged with the crime of killing and taking heads at the barrio of Balangao, Bontoc. It was also the object to get further information concerning the head-hunting affair and the names of all witnesses of the crime. In their complaint the people of Balangao stated that the people of Guines had 10 guns and that 2 of the victims had been killed by bullet. The people of Guines had made two raids into the barrio of Balangao. In the first raid 4 people of Balangao had been killed, and in the second raid a woman had been killed. All the victims had been decapitated and their arms and legs cut off and taken away.

"With the foregoing meager information, and with a knowledge of the general direction of the barrio of Balangao, I started on my way to that barrio at 8.30 a. m., March 12, 1904. My force consisted of a detachment of 20 enlisted men of the station of Bontoc, and we were accompanied by an Igorrote of the barrio of Talubin who had been recommended to me by the lieutenant-governor of this subprovince as a man who desired to aid in the suppression of head-hunting and the preservation of peace among the barrios of this province.

"At 11.30 a. m. we arrived at the barrio of Talubin, a friendly Igorrote rancheria. At Talubin dinner was eaten and enough rice to last the detachment to Barlig was procured, and at 1 o'clock sharp we took up the march.

"At 5.25 p. m. a halt was made for the night at a point near the top of the Polis Range, which was the last place that water could be procured on the trail to Barlig. At 5 a. m., after having eaten breakfast, the detachment was on the climb, and at 6.35 a. m. the top of the range was reached. At 7.40 a. m. we were met by the presidente of Barlig with an escort of about 20 men of his barrio. At 8.30 a. m. the edge of Barlig was reached. This was the first occasion of any troops entering this barrio since the punishment of the barrio several months ago by a large detachment under command of Captain Nathorst, and the inhabitants were found prepared to fight, not knowing the object of the expedition. The people were told through their presidente that we meant them no harm and we would proceed on the trail after dinner. Although the young men and a few of the women were desirous of making us trouble, a clash was avoided, and at 11.30 a. m. we were on the march to Balangao. The presidente of Barlig, being a friend of the barrio of Balangao, was taken with us for guide and interpreter.

"When about 3 or 4 miles from Barlig we were overtaken by about 20 Igorrotes from that town, who stated that they wished to accompany their presidente. These men were all armed to the teeth and apparently feared that we intended to arrest their presidente. Our object was explained to them and they were allowed to accompany us, as it was believed that this action would increase their confidence in us, and it was also desired that they should know that we were not afraid of them. It was rather fortunate for us that we had been joined by them, as their services were much needed as *cargadores* of rations during the remainder of the trip. At about 5 p. m. we encamped under an overhanging rock on a small river in the range between Lais and Balangao.

"At 6 o'clock on the following morning, March 14, we were on the climb, and at about 9.30 a. m. we reached the top of the range. Shortly before reaching Balangao we were met

The supplies for this purpose are unloaded at San Esteban, Ilocos Sur, and at present are carried inland by Igorrote carriers. This system, however, is very unsatisfactory and expensive. Requisition has been made for a pack train for this work, and if the number asked for in the requisition is supplied it will do away entirely with the unreliable and expensive Igorrote carrier system.

In the month of November the district chief made an extended, and what proved to be a very interesting, trip through the savage, remote mountain district in the back country of the two provinces of Abra and Lepanto-Bontoc. The start was made from Bangued, Abra, on November 21. The Cordillera Real was crossed on the 26th. The party then went down the Saltan River country as far as Balbalasan, visiting on the way the towns of Bucay, San Jose, Manabo, Lamao, Lingey, and Tu-i. Balbalasan is where a constabulary post had been recommended placed by Captain Nathorst, who was the only official from Lepanto-Bontoc who had ever visited that section. From Balbalasan the party was compelled to take up its travel afoot, as horses could not be taken farther. The route lay through the towns of Gadang, Guinaan, Poapo, and Lubuagan. Thanksgiving Day was spent crossing the Cordillera Real, and the Cordillera Central was crossed November 28, the party climbing from daylight until 8 p. m., and reaching an altitude of about 6,500 feet. The people were extremely friendly in all the towns except Lubuagan, where they almost showed open enmity. By treating them in a very friendly way, however, and making them little presents, we gained their friendship and were fairly well treated during our stay, which was only overnight. Our route lay from there through Mabontoc, Bangued, Tinglayan, thence down to Bontoc, the old capital of that province. The party struck the coast again at Candon. The district chief arrived at Vigan on December 16.

The expedition was extremely instructive. An American flag was presented to each wild Igorrote town, and presents were also made of brass wire, red cloth, pipes, gee strings, and other stuff to the people as we passed along. They thought a great deal of the flags in all the towns except the town of Lubuagan mentioned above. At that place the flag was presented with some ceremony to the "baccag," or headman, but it was stolen from him by some of his retainers, and when he endeavored to find it he could not do so. The people of this town are not very friendly with either Mabontoc or Balbalasan, and are at open enmity with Bangued, which is farther down from Mabontoc. At Mabontoc the character of the people changed very noticeably, and we were received in a very friendly manner. This is due to the fact that this place is visited from time to time by Americans from Bontoc. It was intended by the district chief to visit also the Quiangan country of Nueva Vizcaya, but on account of the rains this part of the trip had to be canceled. At present in these black savage Igorrote districts there is no recognized law except their own savage customs which have been prevalent for centuries. The people murder and plunder each other at will. They recognize the Government of the United States, but are never visited, some of them, and have no directing hand in close touch with them. A constabulary garrison of some strength has been placed at Lubuagan, which is in charge of Lieutenant Miller, a clean, efficient, and tactful officer. Attention is invited to recommendations given at the end of this report for the proper government of these people.

On the night of October 25 a terrific rain and wind storm struck the province, lasting all the following night and doing considerable damage. An enormous quantity of water fell, more than ever known before. Nine people were reported killed—5 being buried by a landslide at Mancayan and 4 drowned at Abayag. The constabulary buildings at Cervantes were badly damaged.

On November 14 Captain Nathorst was relieved as senior inspector by First Lieut. E. A. Eckman, the former having been assigned to command the province of La Union. In May of this year Captain Nathorst was recommended to command Lepanto-Bontoc, however, and as he wields considerable influence with the Igorrotes there by virtue of his long residence with them, it is thought the little troubles which have cropped out will soon be regulated.

During the month of January several cases of head-hunting were reported from the northern section of Bontoc, and the lieutenant-governor of the province, Mr. Folkmar, and Lieutenant Bennett attempted to apprehend the perpetrators of the depredations, but without much result. A detailed statement of this will be found in the report of the district chief for the quarter ending March 31, 1904.

In the Asin and Quiangan Valley districts, which lie across the boundary in Nueva Vizcaya Province, the Igorrotes are of the very worst type. That district being so isolated, they are seldom visited by any other Igorrotes or anyone else, and it is well known that any Igorrote driven from a Lepanto or Bontoc town for misconduct or crime usually takes up his residence there, where it is hard to ferret him out, as he is generally protected by the many shady characters who live there. News travels very fast among them, and they are aware as soon as a strange person, Igorrote or other, sets foot in their section. They have quite a number of arms, some of them Krag and Mausers, which they apparently take good care of and use them when any intruders come into their territory.

Considerable trouble from time to time has especially been caused by the Igorrotes of Guines, Nueva Vizcaya Province, coming over the divide into Bontoc, making reprisals and carrying off heads of the Bontoc villagers. These Guines people are Mayayaos, and their special energies seem to be directed against the town of Balangao in Bontoc and not far from Guines, but two or three days' march from Bontoc over an almost impassable trail. The town of Guines lies about 12 miles beyond the eastern boundary of Bontoc into Nueva Vizcaya. The exact location was not known until Lieutenant Miller, who recently made a trip over there, made his report. Miller thinks the teniente of "pusijes" (an Igorrote corruption for "fusiles," which in English means guns) mentioned in his report is probably an ex-insurgent renegade who has made his retreat in that district for some time, and has gained some influence by virtue of a few guns, and has gathered some Igorrote warriors around him as a combination for defense and offense. It is understood that there are now constabulary posts at Quiangan and Banauey, in Nueva Vizcaya Province. These detachments are well placed to keep law and order there and in the vicinity of Guines, and it is hoped that these people will now be prevented from making further raids over into Bontoc.

When notice of the depredations in Bontoc by these Nueva Vizcaya savages was first received, the governor of Nueva Vizcaya was notified by wire. No answer, however, was received from him, and the senior inspector of Lepanto-Bontoc considered he was justified in sending some Bontoc constabulary down there. The expedition was a hard one and over very bad trails. Lieutenant Miller, who was in command of the detachment, has made a very interesting report, in which he describes the way in which these savages fight among themselves, and is the first constabulary officer and undoubtedly the first American who has witnessed one of these combats in a manner from which he could make an authentic report. An extract from Lieutenant Miller's report follows:

"The object of the expedition was to arrest five alzados of the barrio of Guines for whom I held a warrant. These five men were charged with the crime of killing and taking heads at the barrio of Balangao, Bontoc. It was also the object to get further information concerning the head-hunting affair and the names of all witnesses of the crime. In their complaint the people of Balangao stated that the people of Guines had 10 guns and that 2 of the victims had been killed by bullet. The people of Guines had made two raids into the barrio of Balangao. In the first raid 4 people of Balangao had been killed, and in the second raid a woman had been killed. All the victims had been decapitated and their arms and legs cut off and taken away.

"With the foregoing meager information, and with a knowledge of the general direction of the barrio of Balangao, I started on my way to that barrio at 8.30 a. m., March 12, 1904. My force consisted of a detachment of 20 enlisted men of the station of Bontoc, and we were accompanied by an Igorrote of the barrio of Talubin who had been recommended to me by the lieutenant-governor of this subprovince as a man who desired to aid in the suppression of head-hunting and the preservation of peace among the barrios of this province.

"At 11.30 a. m. we arrived at the barrio of Talubin, a friendly Igorrote rancheria. At Talubin dinner was eaten and enough rice to last the detachment to Barlig was procured, and at 1 o'clock sharp we took up the march.

"At 5.25 p. m. a halt was made for the night at a point near the top of the Polis Range, which was the last place that water could be procured on the trail to Barlig. At 5 a. m., after having eaten breakfast, the detachment was on the climb, and at 6.35 a. m. the top of the range was reached. At 7.40 a. m. we were met by the presidente of Barlig with an escort of about 20 men of his barrio. At 8.30 a. m. the edge of Barlig was reached. This was the first occasion of any troops entering this barrio since the punishment of the barrio several months ago by a large detachment under command of Captain Nathorst, and the inhabitants were found prepared to fight, not knowing the object of the expedition. The people were told through their presidente that we meant them no harm and we would proceed on the trail after dinner. Although the young men and a few of the women were desirous of making us trouble, a clash was avoided, and at 11.30 a. m. we were on the march to Balangao. The presidente of Barlig, being a friend of the barrio of Balangao, was taken with us for guide and interpreter.

"When about 3 or 4 miles from Barlig we were overtaken by about 20 Igorrotes from that town, who stated that they wished to accompany their presidente. These men were all armed to the teeth and apparently feared that we intended to arrest their presidente. Our object was explained to them and they were allowed to accompany us, as it was believed that this action would increase their confidence in us, and it was also desired that they should know that we were not afraid of them. It was rather fortunate for us that we had been joined by them, as their services were much needed as cargadores of rations during the remainder of the trip. At about 5 p. m. we encamped under an overhanging rock on a small river in the range between Lais and Balangao.

"At 6 o'clock on the following morning, March 14, we were on the climb, and at about 9.30 a. m. we reached the top of the range. Shortly before reaching Balangao we were met

by the presidente and about 10 men of that town. Balangao was reached at about 10.30 a. m., and the day was spent in investigating concerning the heads which had been taken there by the people of Guines. Information obtained in Bontoc was corroborated by the statements of eyewitnesses to the murder and decapitation. During the evening preparations were made for an early start to Guines. Food was prepared and arrangements were made that 10 of the Barlig men were to accompany us as cargadores, while the rest were to remain at Balangao until our return. As it was necessary to take an interpreter with us from the barrio of Balangao, the presidente of that rancheria was asked for one and volunteered himself. Upon being told that he could not take any of his people with him he appeared greatly surprised that a detachment of 20 soldiers should go into Guines, and said that we would certainly all be killed, as Guines had 2,000 warriors. I explained to him that we did not want to fight the Guines people and that I did not think that they would be unfriendly to us. He said that he knew that they would fight us, as they had sent him word that the more soldiers that came the better they would be pleased, for they would take all our heads.

"At 4 a. m., March 15, we took up the march to Guines, accompanied by the guide from Talubin, the presidente of Barlig, with 8 of his men *i. e.* cargadores, the presidente of Balangao, and 1 of his people to cut out obstructions on the trail. Between Balangao and Guines there is a very high range of mountains, and the trail led over the highest peak in the range. [This range divides Nueva Vizcaya from Bontoc]. This mountain is very steep, and in many places we had to pull each other up for several yards and very often had to pull ourselves up the trail by the roots of trees. This trail, though bad enough at the beginning, degenerated into a tangle over the top of the ridge. In several places on this trail we found where the Guines people had camped during their raid. At about 12 o'clock noon we reached the top of the mountain and began the descent. When about half way down the mountain the baying of dogs and the crying of the Guines people were heard below us, where they were hunting deer, and at about 1.30 we were seen by them and they gave the alarm. Soon afterwards we reached a small river which ran through Guines. At that place a Guines "alzado" was seen near us in a waiting position with his spear poised to throw, but who ran when he saw that we had seen him. As our trail led for some distance yet through the thick wood and underbrush, it was decided to put the detachment through at the greatest possible speed, and if possible reach Guines before the alarm could be given there. After proceeding a short distance down the ravine my first sergeant came up to tell me that some of the Balangao people were behind us. I halted the detachment, and going to the rear found that we had been overtaken by about 10 of the Balangao people, whereupon I ordered the presidente of Balangao to take his people and return immediately to their barrio. He told me that they refused to go unless I would guard them back, saying that they were already surrounded in the rear by the Guines people. Finding that it would be impossible to get the Balangao people to return without a guard, and the presidente having promised me that he would not allow his men to menace the Guines people in any way, I decided to enter Guines as quickly as possible in the hopes of finding some of the men whom I wanted to arrest before the alarm could be given. To turn back I would have had to come in contact with the Guines people, apparently about 30 Guines warriors, who were advancing and shaking their spears in a menacing manner. I accordingly advanced on Guines as fast as possible, and after about half an hour emerged into an open grassy country. At about 2.30 p. m. we were in plain view of the barrio and could see the people of Guines taking the alarm. Many of the Guines people could be seen closing in behind us from all directions. Shortly afterwards an old man appeared in front of us and told us to 'come on,' and motioning us to advance, but every time we came near him he would run off ahead of us motioning us to come after him. We followed him and were led to the place where they evidently wanted to get us. The position was perfectly satisfactory for the purpose of defense and no alarm was felt, as we were among the rice terraces, where we could have defended ourselves against thousands. Having halted the detachment, several young men of Guines were seen running towards us with a Katipunan flag, which they stuck in a rice terrace a short distance below us and came on professing friendship. We received them pleasantly and told them that we were their friends and only on a friendly visit. The mayor of the barrio brought a roll of papers, which I examined and found they were all Spanish and insurgent papers. They explained to me that they had a 'teniente,' whom they would call to see me, and whom they said lived in the other end of the barrio. We asked to whom the flag belonged and they said that it belonged to the 'teniente pusijes,' meaning 'lieutenant of rifles.' They repeated that they had sent for him and that he would come soon.

"Seeing that hundreds of warriors were coming up over the rice terraces below, the mayor was directed to tell them to leave their arms, as we were friends. He was answered with jeers, and they all began to sing their war songs. Soon afterwards a long line of men was seen coming down over the trail over which we had come, and who soon proved to be Balangao warriors who had taken advantage of an open trail and followed us at a dis-

tance. Affairs had taken a very serious turn, but this could not have been foreseen, for Balangao was buried in sleep when we left it. The presidente of Balangao was directed to take his men back to Balangao immediately, and was told that if he allowed his men to attack the men of Guines I would fire on the Balangao warriors. He tried to turn his men back, but his attempts were unavailing and his warriors soon began to arrive. One of their leaders explained to me that he thought we would all be killed and had come to our aid. The presidente soon returned to me and said that his men were afraid to return unless we could guard them back. While we were trying to get the Balangao people turned back one of their warriors came up to me shouting that one of the Guines warriors had attacked him, but he had killed him, and showed me a gaping wound in his head. They had encountered the Guines warriors, who had closed in behind us. The Balangao warriors were at last turned back, their presidente being promised that we would prevent the Guines people from advancing from below us, it being our intention to remain at Guines. It was believed that the Balangao warriors could very safely return to their barrio without being attacked, as they were about 600 or 700 strong, while we could prevent the main body of warriors of Guines from attacking them, as they were below us on the rice terraces.

"The mayor of Guines was caused to explain to the Guines people that the Balangao people would return to their barrio, and that if they attacked them we would fire on them. This was answered with jeers, and the soldiers explained to me that the Guines people were saying 'wait until to-night, wait until to-night,' and that some were saying that they would 'soon have our rifles,' and that their 'teniente would soon come.'

"About this time a large body of Guines warriors was seen to break from the high grass upon the retiring Balangao warriors. I attempted to place my detachment between the assailants and the assailed, but it was necessary to cross a number of rice terraces which were blocked in places by the Balangao people. When within a few yards of the scene of the combat, and two terraces above it, we could go no further, as many of the Balangao warriors were trying to retreat over the same terrace. Although I tried to stop the fighting by shouting at them and threatening them, my voice was drowned in the noise, and had they been able to hear me they could not have understood me. While in that position two of the Balangao warriors were killed by their opponents within a few yards of me.

"The fighting was in the form of duels, two and two fighting, while the other warriors would not interfere. The combatants did not throw their spears, but thrust with them and guarded with their shields. After one of the combatants was down the other was allowed to finish killing him. In one case the victor was seen to twist his spear in the body of the unfortunate opponent. In several cases one of the opponents being wounded would make his way back to his friends alive.

"I was unable to stop the fighting, being blocked in my progress. A large number of Guines warriors was seen a short distance away and advancing from below. It was decided to turn them back by firing in front of them. This ruse proved successful, and they retreated after a few shots had been fired close in front of them, whereupon all the Guines warriors who were making the attack on the Balangao people retreated also.

"The Balangao people, fearing to return by the same trail over which they had come, crossed a corner of the barrio to gain another trail. They burned all the houses in their progress. This I was unable to prevent, as we could not make much progress across the terraces, and one of my cargadores from Barlig, having been speared through the leg, had to be carried. A small squad of my detachment, having at the beginning of the assault been ordered to seize the Katipunan flag, had not yet returned. Upon the arrival of the squad the flag was taken by me and we proceeded as fast as possible after the Balangao people to prevent further destruction of houses, but did not come up with them until they had reached the edge of the barrio, where they all stopped, fearing to go farther, as hundreds of the Guines warriors could be seen on the mountain ahead.

"As it was nearly sunset it was decided to camp in Guines for the night, and it was evident that the Balangao people must be guarded home to prevent a catastrophe. An excellent camping place was found near by, on the end of a small spur of the mountain, which was flanked on three sides by the rice terraces. In this camping place the Balangao people were assigned to one side, while my detachment, with the cargadores, occupied the most exposed side. The camping place, being only about 30 yards in width, was quite crowded, though easily guarded.

"Two of the Balangao warriors came up to me to have spears removed from their legs, each one having a spear driven to the haft in one leg. As the spears were barbed, it was necessary to remove the hafts and force the spear on through the leg, but both operations were performed successfully and both men were able to walk the next day. A young Balangao warrior of about 12 years of age, who had had one hand almost severed at the wrist, was brought to me, but nothing could be done for him, as the bones had been cut smooth and he was dying from loss of blood.

"It was found that 3 of the Balangao warriors had been killed, one of whom was the son of the presidente of Balangao. Of these, 2 had been decapitated and left on the field, and

the third, the presidente's son, had been seized by the Balangao people before he could be decapitated and had been brought into camp. Four of the Balangao warriors had been severely wounded and a large number slightly wounded, and one of my cargadores had been seriously wounded. With the exception of 1 warrior, who had been killed earlier in the evening on the trail, none had been killed. One of the Guines warriors was seen to retreat with a spear in one ankle, however. The number of houses burned by the Balangao people is estimated at 30.

"An interesting custom of the Balangao people was observed at dusk, when they established an outpost. A squad of about 10 men were sent a short distance in advance of their camp. After sharpening a number of sticks about 4 feet in length, they placed them a few yards in advance of their position, slanting outward in such a manner that the sharpened points would no doubt kill or seriously wound anyone who should run against them in the dark.

"During the earlier hours of the night nothing occurred of importance, though the Guines warriors were seen within 100 yards of our camp on the hillside, singing their war songs and challenging us to come out, and the Balangao warriors were challenging them to come in. At about 10 o'clock a spear was thrown into the Balangao outpost, whereupon they ran in. Shortly afterwards a spear was thrown among my detachment, wounding a Barlig cargador in the back of the neck. Rocks were thrown into camp, but no one was injured by them, as all the men except my soldiers had shields. At about 12 o'clock a shot was fired into camp from the top of a hill about 50 yards away. No one was hit by the bullet. While our camp was as light as day from the fires which were kept lighted and was packed like sardines, no one was hit, although two more shots were fired from different positions very near the camp. It is believed that there was but one gun being fired, and that it was fired from different positions for effect.

"In order to weaken the prestige of this 'teniente pusijes' among the Guines people, I challenged him to fight a duel with me alone, and offered to go out to meet him. He would not accept my challenge, although it was repeated several times. It is not doubted that I could easily have killed him in a duel, but it was known that he would not accept. At about 3 o'clock in the morning, while standing up near the edge of the camp and watching one of the Guines people who was throwing rocks into camp, a shot was fired at only 6 or 8 yards' distance from me, but the bullet went wild. A shot was instantly fired into the darkness, which quieted the Katipunan rifle until daylight.

"At daylight, March 16, the presidente of Balangao was informed that he must immediately prepare to march, and that we would guard his people home. He was also informed that my detachment would march in front, rear, or center of his people, as he should elect. I was informed that he desired us to march in the rear, as it was the custom of the Guines people to close in on the rear of those whom they attacked on a trail.

"At about 6 a. m. the son of the presidente of Balangao, who had been killed in a duel the evening before, was laid on his shield and slung to two parallel poles. Some of the bravest Balangao warriors were chosen to walk near the litter of the dead to prevent the Guines people from taking the head of the corpse.

"Everything being prepared, at 6.15 the Balangao people started over the trail, the presidente in advance, and all singing their war song. At a point about 1 mile from the camping ground the Katipunan rifle was fired from a thicket about 200 yards from the trail. From that position about 25 shots were fired on the Balangao people as they passed, but upon our arrival at that point no more shots were fired. The Katipunan 'lieutenant of rifles' was again challenged to single combat, but did not answer.

"Shortly before reaching this point a spear was thrown at the detachment commander from the high grass above the trail. This spear was brought in, with the Katipunan flag, and is a very peculiar specimen, having six barbs.

"Shortly afterwards a spearman arose to throw a spear, when a soldier instantly fired at him. He was seen to be carried away by his companions and it is believed was killed.

"Nothing of importance occurred after this event, although the Guines warriors followed us at a short distance for several miles. The Balangao people were not molested on the trail, though the presidente was seriously wounded in the foot by a sharpened stick planted in the trail.

"On the following day we marched to Barlig and encamped there overnight. The Barlig people were very friendly to us. The following day, March 18, my detachment arrived at Bontoc.

"It is believed that there is but one insurgent at Guines, who has perhaps been there ever since Aguinaldo passed through in his flight through this country. There is apparently but one rifle, which is no doubt a muzzle-loader, as it took from two to three minutes to load. If there are more rifles they were not fired.

"The enlisted men of my detachment behaved excellently and did perfect hiking. It was found that the soldiers do most excellent hiking when dressed in khaki hats, blue shirts, and gee-strings, the trousers not being worn."

These savages of the Quiangan district are very hostile, as Lieutenant Miller's report shows, and should be taken in hand by the Nueva Viscaya constabulary.

The constabulary of Lepanto-Bontoc, upon being apprised of the Vigan mutiny, according to instructions immediately blocked all trails leading into the interior. The senior inspector states that his men, who are mostly Igorrotes, were very anxious to meet the renegades and show them what they could do with the guns the Americans had given them. It is the first time in the history of their country that the Igorrotes themselves have been trusted with guns. Some hundreds of them were taken down to Manila during the insurrection and were sent up against the Utah Battery, near Caloocan, armed with their spears, axes, and wooden shields. What happened to them was plenty, so far as they were concerned, and they have never forgotten it and are only too anxious for an opportunity to get even some time with their new guns on the low-country Filipinos who took them down there.

The province is still repairing roads and trails leading from Bontoc to Barlig, and from Bontoc northward, as well as to the Amburayan district.

RECOMMENDATIONS.

CONSTABULARY.

Uniforms.—In the matter of uniforms it is recommended that only the canvas and tan shoe be issued, to be worn with leggings. It is recommended that leggings be issued throughout to the entire constabulary in sufficient quantity to make them available at all times and in all formations as a part of the uniform. The high-top shoe has proved, as a general rule, unsatisfactory for our service in this district, and the legging, whether issued or not, is invariably procured in some manner by most of the men and used, as they desire them very much for use in the field and on marches. For formation and parades the brown canvas legging, worn with brown canvas shoes, makes a very pleasing effect.

It is also recommended that the regular 3-inch-brim felt campaign hat, to be worn with a red cord, be adopted for use in the constabulary, instead of the narrow-rim canvas hat, which affords very little protection from the sun, as the rim is very narrow and the crown very low. The high-crown, 3-inch-brim felt hat is much more desirable for the constabulary, in consideration of the general field duties performed by them.

Rations.—It is recommended that the enlisted men be rationed with a fixed ration in kind, as is done with the scouts. This appears to be the only satisfactory system that will meet the test in all localities and under all conditions. If men were rationed in kind it would insure a better quality of food and a more regular supply. Two-thirds of the army ration is thought to be no more than sufficient. The savings from this ration could then be used for improving messes in general, and accounts of same should be kept, the same as a company fund in the United States Army, and might be used in buying conveniences, etc., upon the recommendation of the senior inspector to the district chief. Men traveling should be given 40 cents Philippine currency per day.

It is thought that the above arrangement would create better satisfaction among the men in general and, although creating necessity for somewhat more transportation, would in the end probably prove more economical and for the general betterment of our service.

Forage.—Recognizing that there was need for an alteration, somewhat, of the present forage allowance, at least for the fourth district, the district chief appointed a board of officers to investigate, report upon, and make recommendations in the premises. The report of this forage board has just been received and will be forwarded under separate cover.

The general opinion is that the allowance of grass, as provided by Executive Order No. 73, is not enough, while the grain component is quite adequate. In the recommendations submitted by some senior inspectors it is stated that the combinations fixed in mentioned order is not practicable in their provinces. The opinion is held that these combinations can be changed, however, using any two components found best adapted to conditions in the different localities.

In reference to the inadequate allowance of grass, it was found that in Abra, and in Vigan, and other places where they pretend to take good care of their horses, they feed about 5 pounds of grain and about 50 pounds of grass per horse per day, and that after soaking the grain in water before feeding, a small quantity of crude molasses ("miel," as it is styled) is mixed with it.

General Orders, No. 48, Headquarters Department of the Pacific and Eighth Army Corps, dated Manila, P. I., September 15, 1899, made the following allowance for native ponies per day: Six pounds paddy, 3 pounds tiqui-tiqui, 1½ pounds miel, 35 pounds grass.

The above allowance, as compared with the present allowance for native ponies, is ridiculously large, or else ours is likewise small. We have no allowance for miel or even salt. The opinion is held that the best staple forage for our horses, considering the nature of their work, is palay and grass, and liberal, not extravagant, allowance of both. Our present allowance of grass, 30 pounds, is not even as large as the allowance for grass in the general orders mentioned, leaving out of consideration the other ingredients in that order. The

allowance of grass for native ponies should be increased to at least 40 pounds per day, and the Chinese or Australian horses to 50 pounds.

In provinces where corn is fed the horses do not do as well, and it is thought corn is too heating. To those provinces it is thought palay should be shipped from Manila.

In purchasing palay care should be taken that the price given is for threshed palay, as in most provinces where palay is purchased it is done up in bundles with half of the stalk attached, and of course sells much cheaper, as it is half straw. A mistaken idea is thus conveyed that palay is extremely cheap in some provinces, when in reality it is dear, and palay might better be shipped. The district chief keeps two native ponies in good condition by buying 50 pounds of grass extra each day. It is hoped that efficient persons may be chosen to regulate this question of forage, and that it may be done at an early date.

MUNICIPAL POLICE.

It is recommended that the municipal police in all provinces be removed from the absolute control of the presidentes of the different towns, and provincial police in general be placed in a separate corps by themselves by legislation of the Commission; that this corps of provincial and municipal police have a higher officer in Manila to be general superintendent of police; that regulations governing the organization and governing of the police be sent out from Manila; that the police of a province be indirectly under the senior inspector of the province, and directly under an officer of constabulary detailed in each province as inspector of police; that the police be called "provincial police," and be supported by the province, if possible, if not, by the insular government, or in part by the province and in part by the insular government. These police should be uniformed alike in all provinces, that they may be recognized as police by a person traveling from one section of the country to the other. At present the police are generally under the power of the presidentes all over the archipelago. They wear a hundred different kinds of uniforms, according to the artistic flourish or fancy of the particular presidente under whom they serve, and their efficiency is likewise gauged according to the good or bad intentions or mood of the presidente under whom they serve.

In some provinces where the police have been placed under the inspection and control of the constabulary there had been signal success. In other provinces the governor and presidentes are opposed to this, for the reason that it does not give them sufficient power in their machinations and coercions of the Tao class of people to follow their absolute desires in every matter, whether for the general public good or for private gain.

A slight study of these conditions will make the matter very clear to anyone interested. In this connection, attention is respectfully invited to the recommendations made by the fourth district chief in his report for the quarter ending September 30, 1903.

GOVERNMENT OF IGORROTES AND HILL TRIBES OF THE INTERIOR.

At present there are vast districts where there is no recognized law except the savage customs of the people which have prevailed for centuries. Many of the people are never visited, some of them, no doubt, never having seen white men, and at present there is no directing hand in close touch with them. A part of them have heard of and recognize the Government of the United States. Others have made pueblos and towns and have a presidente, or headman, who, at some time or other, has been presented with a cane by one or the other of the governors or lieutenant-governors who have held sway at different times in the province of Lepanto-Bontoc.

The repeated changing of lieutenant-governors of the Bontoc district, it is believed, is having a very bad effect on the people, owing to their indiscretion in the handling and their general ignorance of the people, their customs and the country in general. The third lieutenant-governor who held sway in the subprovince of Bontoc gave a native, who had committed murder, his complete liberty, after a farce of an examination in his justice court, which, of course, had no jurisdiction for trial of such cases. This native was rearrested and held for trial afterwards to the court of first instance by the fiscal of the mountain district, and the murderer was given twelve years by Judge Buritt.

The real authority of a lieutenant-governor in one of the subprovinces does not have very great weight with these savage people anyway. The headmen and others generally have come to constabulary officers, whom they recognize as the men in power, as they command the police force, which they recognize above everything else. The lieutenant-governors upon their arrival call the people together and have a powwow, the effect of which is lost upon the people, as they have had numerous powwows of this character within the last year or so.

The influence exerted over these people by having their young men enlist in the military police has been very great. The young men so enlisted have taken given and surnames, have cut their hair (which is a very extraordinary thing), have taken the rings off their ears and off their legs and arms, wash themselves regularly, eat at tables, are learning to read

and write, and in fact are becoming pretty well civilized considering the time the constabulary officers have been with them. Those of the soldiers who are married have in most instances taken their wives and children from the dirty hovels in which they existed before their entrance into the constabulary and placed them in very neatly made pine houses, and require them to wear clothes like the more civilized tribes. The influence is very great and can be seen on all sides.

It is recommended that a system be inaugurated of officers, appointed as our Indian agents are appointed at home, but that they be appointed from clean, efficient and tactful constabulary officers, to be chosen by the chief of constabulary. That the governor of Lepanto-Bontoc be a constabulary officer with the grade of captain or major, and that he also have charge of the Bontoc constabulary. That in the different subdistricts there be placed tactful constabulary officers, who may be deputy governors ex officio and justices of the peace. It is thought that the whole Igorrote country should be covered in this manner and cut out from the different provinces, and an adaptable system of government adopted for it. In case it is not desired to make a district by itself, the different sections of the different provinces might be governed by a constabulary officer or officers in addition to their other duties, as stated above, and so far as administrative matters are concerned he should be subservient to the provincial governor of the province in which he serves. This system, it is certain, would improve conditions and reduce expenses considerably for the insular government.

When these people, or some of them, are fully able to hold office, then is the time to institute advanced civil government among them; but as long as they are in their savage state this should not be done, as they care nothing for it, and take it as an unnecessary molestation for them. For this reason, it is believed that at present a system of officers appointed judiciously from the constabulary, as our Indian agents are appointed at home, will accomplish better results at a less expense, and the present form of government now in vogue in Lepanto-Bontoc and the other districts be administered more efficiently and for a better advancement of the people.

Respectfully submitted.

J. S. GARWOOD,

Major and Assistant Chief, Philippines Constabulary, Commanding Fourth District.

THE ADJUTANT-GENERAL, PHILIPPINES CONSTABULARY,
Manila, P. I.

Aggregate result of operations in the fourth constabulary district.

Number of expeditions.....	462
Number of miles covered.....	26,475
Number of engagements.....	6
Outlaws killed.....	17
Outlaws captured.....	86
Outlaws wounded.....	Unknown.
Arms captured:	
Cannon.....	1
Rifles.....	36
Shotguns.....	3
Revolvers.....	9
Ammunition captured:	
Mauser shells.....	966
Rifle ammunition.....	112
Krag ammunition.....	30
Assorted ammunition (rounds).....	62
Revolver cartridges.....	6
Stolen animals recovered:	
Ponies.....	24
Carabaos.....	10
Cow.....	1
Other property recovered:	
Conant.....	P1, 870. 00
Two watches.....	\$50. 00
Jewelry.....	\$300. 00
Large amount of quartermaster supplies.	

Number and kind of arms on hand in provinces of the fourth constabulary district, June 30, 1904.

Province.	Shot-guns.	Revolvers.	Rifles.	Car-bines.
Abra.....	62	98		68
Benguet.....	15	65		47
Cagayan.....	75	120		100
Ilocos Norte.....	148	226	53	117
Ilocos Sur.....	1	49		111
Isabela.....	12	101		70
La Union.....	100	75		65
Lepanto-Bontoc.....	47	51		69
Total.....	480	785	53	647

Native ponies on hand June 30, 1904.

Abra.....	22
Benguet.....	6
Cagayan.....	20
Ilocos Norte.....	20
Ilocos Sur.....	27
Isabela.....	19
La Union.....	17
Lepanto-Bontoc.....	16
Total.....	147

REPORT OF THE DISTRICT SURGEON.

HEADQUARTERS FOURTH DISTRICT, PHILIPPINES CONSTABULARY,
MEDICAL DIVISION,
Vigan, P. I., June 30, 1904.

SIR: I have the honor to submit the following report of the operations of the medical division in this district for the fiscal year ending June 30, 1904:

This report must necessarily cover but five months of the year, less eight days, this office not having been established until my arrival, February 7, 1904.

During this period the health of the command has been very satisfactory, as will be seen from the following statement tabulated from records believed to be accurate:

Intestinal diseases.....	20	Beriberi.....	3
Pulmonary diseases.....	21	Minor ailments.....	15
Surgical diseases.....	22	Days lost in hospital.....	470
Veneral diseases.....	18	Days lost in quarters.....	450
Malarial fevers.....	54	Died.....	3
Dengue.....	2		

Two of the deaths above referred to were caused by beriberi, both men belonging to the constabulary of Isabela. The third was caused by the killing of Private Bautista by the Vigan mutineers February 7.

It will be noted from this report that the malarial fevers have so far been the greatest cause of inefficiency. The consensus of medical opinion at present favoring the mosquito as the most active, if not the only, medium through which the malarial organism is conveyed and the disease propagated, the command should be provided with and required by order to use mosquito bars. Cots should also be furnished without delay.

Hospitals.—Two well-equipped hospitals are in operation in the district, one located at Ilagan, Isabela, established about a year ago, and the other at Vigan, established March 15, 1904. Both have rendered most excellent service, and, in my opinion, are a credit to the constabulary.

In my report for the quarter ending March 30, 1904, it was recommended that the hospital at Ilagan be transferred to Tuguegarao, the latter station being nearer a majority of the troops serving in that section of the district. Authority for such transfer has since been granted, but on account of the difficulty encountered in securing a suitable building, it has not as yet been effected. It is believed that the government already has at that station sufficient material to build an entirely new house for this purpose, and such action

is especially urged as being highly necessary to the efficiency of the medical division. The reasons why are too apparent for argument.

Supplies.—Authority has been secured to establish a medical supply depot at these headquarters, and requisition for supplies sufficient to cover a period of six months was forwarded some time ago.

It is thought this plan of supplying provinces remote from the hospitals will prove much more satisfactory than the present arrangement of sending small requisitions from each to Manila at different intervals, as much confusion and delay in getting supplies to their destination will be avoided.

The strength of the division at present is as follows: One surgeon, 1 medical inspector, 2 corporals, and 20 first-class privates. The medical inspector at Vigan having been recently ordered to Manila, the hospital at that station is for the present under the immediate supervision of this office. The inspector in charge at Hagan is also under orders transferring him from the district, and is now awaiting transportation.

It is hoped and urgently recommended that these officers be replaced at the earliest practicable moment, as without them a maximum of efficiency or even a fair administration of this division can not be realized.

Enlisted men.—All the provinces embraced by the district, with the single exception of Benguet, have been supplied with qualified enlisted men of the division who have undergone several months of instruction, and are believed to be capable of attending such of the sick as do not require hospital treatment.

For a more detailed and extended statement of the work accomplished by this division, reference should be made to my report for the quarter ending March 31, 1904.

Respectfully submitted,

Very respectfully,

T. C. WALKER,

Captain and Surgeon, Philippines Constabulary, District Surgeon.

The ADJUTANT, FOURTH DISTRICT CONSTABULARY,

Vigan, P. I.

REPORT OF THE DISTRICT TELEGRAPH OFFICER.

HEADQUARTERS FOURTH DISTRICT, PHILIPPINES CONSTABULARY,

TELEGRAPH DIVISION,

Vigan, P. I., June 30, 1904.

SIR: I have the honor to submit the following report of the telegraph division of the fourth district for fiscal year ending June 30, 1904.

The undersigned took charge of the telegraph division, fourth district, July 21, 1903, with Third-class Inspector George Keech at Baguio, Benguet, Third-class Inspector George Rickard at San Fernando, Union, and Third-class Inspector Charles M. Sides at Vigan, Ilocos Sur. The telegraph and telephone lines in the district upon my arrival were in as good condition as possible, considering the force then present to take care of them. Work on the reconstruction of the line from Cabugao, Ilocos Sur, to Laoag, Ilocos Norte, was commenced about the middle of July, but owing to the lack of material only about 7 miles of iron poles had been set up to July 29. Lieutenant Keech was relieved from duty in the province of Benguet August 14 for the purpose of superintending the construction work in this district, and upon his arrival at these headquarters was placed in charge of the reconstruction of the Laoag line. Work now progressed rapidly, and as material had been sent up from Vigan for this work, the same was completed September 30, 1903. Laoag, Currimaos, and Badoc offices were opened for business October 1.

The telegraph line was completed between Cervantes and Bontoc on September 23, but owing to bad condition of trails and rivers it was impossible to send a native operator to Bontoc to open the telegraph office until the rains were over.

The changing of the Laoag line to iron poles makes a total of 187 miles of constructed iron-pole line in this district, from Dagupan to Laoag, Ilocos Norte, all No. 9 galvanized-iron wire. Branch lines on wooden poles, No. 9 galvanized-iron wire, Western Union standard insulators, are as follows: San Fernando, Union, to Baguio, Benguet, via Baoang, 30 miles; Candon, Ilocos Sur, to Bontoc, 55 miles; Vigan to Bangued, Abra, 20 miles; total, 105 miles. Telephone lines in operation are as follows: Bangued, Abra, to San Jose, Abra, 15 miles; Laoag, Ilocos Norte, to Dingras, Ilocos Norte, 15 miles; Laoag, Ilocos Norte, to Bangui, Ilocos Norte, 40 miles; total, 70 miles. The total number of miles of telegraph and telephone lines in the district amount to 362. Between the constabulary post of Bagnotan, Union, and San Fernando there is now in operation a system of Russell cut-in telephones used on the main telegraph line with condensers, thus doing away with the necessity of building an extra line.

On July 21, 1903, the following telegraph offices were in operation in this district: San Fernando, Union, with branch offices at Santo Tomas and Naguilian; Baguio, Benguet; Candon, Ilocos Sur; Vigan, Ilocos Sur. Since that time the following offices have been opened: Laoag, with branch offices at Currimao and Badoc; Bangar, Union (branch of San Fernando); Bangued, Abra; Cabugao, Ilocos Sur; Narvacan, Ilocos Sur (branches of Vigan); San Esteban, Ilocos Sur; Cervantes, Lepanto-Bontoc (branches of Candon). The branch offices are all in the hands of native operators.

In each province linemen are detailed from the enlisted force at a salary of 25 pesos, and are stationed at the most advantageous places for the quick repair of lines. These men make trips over their entire section at least once a week during fair weather, and immediately after each storm. American linemen are stationed at San Fernando de La Union, Vigan, Ilocos Sur, and Laoag, Ilocos Norte, and have supervision over the repairs of lines in their respective provinces.

On the evening of February 7 the constabulary garrison at Vigan mutinied, fired at officers, looted the commissary and cuartel, and left town at once in a body, cutting all telegraph lines at edge of town. The following morning, February 8, these breaks were repaired and the Bangued, Abra, and Laoag lines came O. K., but the Dagupan line still remained open. As no escort could be secured it was impossible to order either American or native linemen out (all native operators and linemen remained loyal), but on the following morning, February 9, Lineman Lee Bartlett took the native lineman from Cabugao and the two from Vigan and started south. The renegades were then reported to have just left Santa Maria (after looting the place) and were moving south. The wire was found cut at the Abra River and was repaired, but found to be still open south. Another cut was discovered just north of Narvacan, and when repaired wire came O. K. to Dagupan.

In passing through Narvacan the renegades disconnected the instruments, but did not break them. The revolver of the lineman was taken, but the operator was not molested.

Operator Bernardo Villanueva left his post at San Esteban when the detachment was picked up by the coast-guard cutter *Negros*, February 8, and when the renegades reached there they disconnected the instruments and broke up the batteries.

When the Candon detachment was picked up by the *Negros* on the same date Corporal Abella stayed at his office and did not come with them.

Bartlett picked up the Narvacan lineman on passing through that place, and his party now consisted of 5, including himself. It was not known at that time where the renegades were, but it was thought they were near Candon, on the main road. He spent the night of February 9 at Santa Maria, where he was found about 4 a. m. by a party of constabulary officers and American volunteer deputy sheriffs under Captain Hendryx.

As I was in this party I opened a temporary station, the morning of February 10, at Santa Maria, and we stayed there during the day, Captain Hendryx's party guarding the trail leading into Lepanto-Bontoc Province, and also keeping the renegades from returning north (troops having arrived at Candon and Bangar).

I closed the temporary office at Santa Maria the morning of February 11 and we moved on to Candon, arriving there at 1 p. m. Later in the afternoon it was reported that renegades were on the main road south of Santa Cruz, moving south. I took detachment of linemen and went to Santa Cruz at once, where I found Lieutenant Harris with company of scouts. Opened temporary office and expected to remain there until arrival of Colonel Scott. I soon learned, however, that Colonel Scott had passed there on the coast-guard steamer that afternoon for Candon. As the office at Santa Cruz was apparently of no further use I returned to Candon the morning of the 12th, taking with me 11 prisoners and 9 guns that Lieutenant Harris turned over to me. During the day I heard that Colonel Scott again wished the office opened at Santa Cruz, so I sent Corporal Abella, from Candon, down, and took charge of the Candon office myself.

February 13 Colonel Scott wired that Operator Malana, at Tagudin, was not doing satisfactory work and that he wished Corporal Abella sent there to assist him. The office at Santa Cruz was therefore closed and Corporal Abella sent to Tagudin. Lineman Bartlett was then sent to Santa Maria to open an office, as there was a movement of the renegades reported near that place and a force had been sent there to intercept them.

Civilian Operator Wilson reported to me at Candon for duty February 14, and on the following day I left for Vigan.

As Colonel Scott wished the office kept open at Santa Maria for a few days, Operator Constancio Navarro was sent there to relieve Bartlett, February 16.

The troops having abandoned Tagudin, Corporal Abella was ordered to report for duty at Vigan, leaving Operator Malana in charge at Tagudin.

I wish to state that the act of Lineman Bartlett in starting out on the morning of February 9 to repair the line with only 2 native linemen as assistants was very commendable. It was not known at the time whether the revolutionary movement was general or not, nor was it known where the renegades were in camp. He had volunteered to start out on the night of the 8th at 11 p. m., but as the native linemen failed to put in an appearance

at the appointed hour, the start was postponed until the following morning. No escort could be furnished him, as only the Americans were left in Vigan to guard the town. The constabulary soldiers who came back the morning after the mutiny were not trusted.

All lines have been working in a satisfactory manner, except the branch line from Candon to Cervantes, Lepanto-Bontoc, which is continually giving more or less trouble on account of the difficulty of getting iron poles, cross arms, insulators, etc., into that country. Iron poles are now at Candon and will be put in service on this line at the earliest possible date. The typhoon on the night of June 25 carried away 1 mile of wire and poles and broke communication in several other places. The entire available force of linemen is at work reconstructing temporarily until such time as the iron poles can be placed.

The telegraph line to Bangui has been completed and a telegraph office installed at Bangui, with native operator in charge. This, with telephonic communication to Cape Bojeador, gives communication from Manila to the northern part of Luzon Island.

The wooden poles on the branch line from San Fernando de La Union to Baguio, Benguet, are being replaced by iron poles. To date, iron poles have been installed as far as Naguilian, Union, this work having been stopped for an interval of two months, during the stay of the civil commission at Baguio, on account of the increase of work over this wire during the commission's stay; continued work of replacing wooden poles would too frequently interrupt communication. The work will be rapidly pushed to completion. With the work of replacing wooden poles for iron completed on the San Fernando-Baguio and Candon-Cervantes lines, this will only leave a portion of the Vigan-Bangued line to be replaced with iron poles, and with this completed all lines in the district will be on iron poles, except the line from Cervantes to Bontoc, which will not be reconstructed, as wooden poles are best suited for that line.

Native operators in this district, with one or two exceptions, are giving satisfaction. All substations that do not check direct are being changed as rapidly as possible to "check-direct stations," the native operator in charge making all monthly reports. To date, Bangued, Abra; Baguio, Benguet; Cervantes, Lepanto-Bontoc, and Bangar, Union, have been changed to check stations, all the above named being in charge of native operators. Smaller stations, such as Narvaca, Ilocos Sur, and Rabon, Union, do not handle enough commercial business to justify the change from sub to check station.

At present there are on duty in this district 4 civil operators and 3 civil linemen, all American; native operators, 2 sergeants, 3 corporals, 7 first-class privates, and 11 second-class privates; constabulary soldiers, detailed as linemen, 3 in Ilocos Norte, 4 in Ilocos Sur, 3 in Union, 1 in Bangued, 1 in Cervantes, and 1 in Benguet; 1 civil native lineman stationed at Vigan; 2 native civil messengers at Vigan and Candon. At other stations where there is a constabulary garrison soldiers are detailed for messenger duty.

The Vigan telegraph school has been closed for the present, but before closing the entire class was examined by Third-Class Inspector C. M. Sides, telegraph division, and 14 of the class successfully passed the examination. Although the school is closed, the 14 students who passed the examination are available and willing to enlist in the telegraph division at any time, the address of each being on file in this office.

Respectfully submitted.

L. B. MANCHESTER,
District Telegraph Officer.

The FOURTH DISTRICT CHIEF, PHILIPPINES CONSTABULARY,
Vigan, P. I.

REPORT OF THE FIFTH DISTRICT, PHILIPPINES CONSTABULARY.

HEADQUARTERS FIFTH DISTRICT, PHILIPPINES CONSTABULARY,
Zamboanga, P. I., June 25, 1904.

SIR: The undersigned has the honor to submit report of conditions in this district and the organization and work of this constabulary from September 28, 1903, the date at which he assumed command of the fifth district pursuant to General Orders, No. 49, headquarters Philippines Constabulary, September 1, 1903, to the present time.

TERRITORY.

The district comprises Mindanao and the Sulu Archipelago, divided into Misamis and Surigao provinces, and the districts of Cottabato, Davao, Lanao, Sulu, and Zamboanga. This area exceeds that of Luzon, the distances to be traveled being far greater and the proportion of constabulary to area and population being much less than in any other constabulary district. Manila is more accessible from these headquarters than some portions of the district from each other. The coast line of the district approximates 2,000 miles. Communication is almost entirely by water: all trails lead inward from the coast instead of

along it, and the only wagon roads are those built by the army from Lake Lanao to the north and south sides of Mindanao. There is no probability of much use of land transportation for many years to come. In its capabilities for the cultivation of hemp, sugar cane, tapioca, coffee, tobacco, indigo, pepper, and similar products; in its unrivaled forest resources, including gutta-percha and rubber, and its fine climate, this district should prove the most attractive region in the whole archipelago for investment and settlement.

The Rio Grande Valley and that of the Agusan have no rival in the islands in extent or fertility, except in the Cagayan of Luzon. The fine hemp region of Davao district along the east coast is unsurpassed, but the northeast monsoon practically shuts off that coast from the world half of each year. No land under a tropical sun will have a better future than this district when good government and a knowledge of its splendid possibilities bring capital and immigrants to it.

PEOPLE, LANGUAGE, ETC.

The coast from Dapitan by the north and east around to Davao is settled by Visayans. The interior of the Davao district and the mountainous part of the Zamboanga district are occupied by pagan tribes. At Zamboanga there is a mixed population descended from deportados, Spaniards and Chinese, whose language is a corrupt Spanish. On Basilan Island there is a powerful tribe known as the Yaccanes. The balance of the population of the fifth district is Moro, whose religion is debased Mohammedanism. The language when written is in Arabic characters. An occasional chief can read and write, but such work is usually done by Arab and Malay hadjis, who have settled among the Moros and wield much influence, seldom for good. In 1899 Sawyer said of Mindanao:

"The present condition of the island is most lamentable. Nothing could be more dreadful; robbery, outrage, and murder are rampant. Every evil passion is let loose and the labor of years has been lost.

* * * * *

"In the words of one who knows the country well, Mindanao has become a seething hell, and is in a condition more dreadful than ever before in historic times."

So much of the foregoing continued to be true that one is warranted in saying that probably few governments have been confronted by more difficult conditions than that of the Moro Province, created by Act 787 of the United States Philippine Commission. The legislative council of the Moro Province has since last September provided for a public school system; established many municipalities; enacted a municipal code for its province; regulated the sale of intoxicants; protected by legislation some of the peculiar products of this region, such as pearl shells; enacted a land-tax system; established a tribal ward system of government by district governors among the non-Christian tribes until such time as local self-government shall be created among them, and has forbidden the slave traffic. The tribal wards have been defined, the headmen are accepting their offices, and these Mohammedan and heathen people seem marching forward with reasonable rapidity toward order and settled conditions. There is slavery among them, but its extent and its evils have been greatly exaggerated. Throughout the Philippines, and perhaps in many parts of the world, the more intelligent native obtains a hold over the laborer which places the latter in a condition of servitude which is moral if not actual slavery. This exists along the east coast of Mindanao, and there and among the Moros has been extended, human beings being bartered and sold instead of being passed from owner to owner on the covert payment of an alleged indebtedness of the slave. The operation of the slavery law has not met with much resistance, except as it has been viewed by some of the Moro chiefs as the beginning of a general invasion of their ancient customs. Slavery of one Moslem by another is forbidden by the Koran, so that its influence can be invoked where the slavery is not of non-Mohammedans. The open traffic has practically stopped. The complete eradication of slavery will take many years. As the peculiar institution of villanage survived the passing of the feudalism of the Middle Ages and traces of it lingered in England until the days of the Stuarts, it is probable that the slavery now existing among the Moros as a part of their rude feudalism will endure for several generations. The slavery law has been generally disseminated, but with full knowledge of it many persons held in bondage prefer to remain there, although assured of protection if they leave their owners. The whole district is quiet now except for Datu Ali and a small band of his followers in the Rio Grande Valley. The death of Panglima Hassan in Jolo ended active opposition to progress there. The murders around Lake Lanao seem more due to savagery than any rebellion against law. The Taraca expedition has brought new and friendly chiefs into prominence in that region and the prospect is more promising than ever before. In the Rio Grande Valley in March, Datu Ali, a scion of the ancient Moro house of Kudarangan, organized at Srenaya the most formidable coalition against the government yet headed by any Moro. Related to the principal Moro nobility of the valley, with a prestige as a fighting man dating back into the early nineties, Ali's influence brought together several thousand warriors in an exceedingly well-chosen position, fortified with considerable engineering skill. This opposition was disintegrated by the Srenaya expedition, and a later one in the Lake Buluan region, and Ali, while still at large, is to-day dis-

credited among his own people, a fugitive with few followers, and his apprehension is only a question of time. As a strong factor against progress he has disappeared.

The so-called Moro problem is to be solved now by time and patience, firmness and square dealing. There has been considerable friction along the east coast of Mindanao, the shrewder Visayan taking commercial advantage of his pagan or Moslem neighbors, and native officials abusing their power. In Misamis bands of fanatics have several times begun organization, but the constabulary have been able in each case to prevent trouble. There have been some abuses by native officials along the west shores of Iligan Bay, in Misamis Province, and trouble between Roman Catholic authorities and the adherents of the Aglipay church has occurred in one or two places. A few cases of slave stealing by Moros from the Lanao district have occurred, but good work by constabulary officers of Misamis has restored the captives and apprehended the raiders in each case reported. In Surigao general quiet has prevailed. Adriano Concepcion was captured by constabulary in April, and the hanging of four of his companions in the raid last year and his own death sentence ends general outlawry in Surigao. Slight friction in Surigao Province has occurred between Roman Catholics and Aglipayanos, but nothing serious. A very disastrous hurricane on April 23 destroyed crops and damaged towns along the east coast of Surigao, necessitating a distribution of rice in return for labor, in order to prevent suffering.

THE CONSTABULARY.

The undersigned on his arrival here reported to the governor of the Moro Province and was informed by the latter that he did not desire a constabulary organized for the present in the Lanao and Cottabato districts nor on the island of Jolo. As under Act 787 of the Philippine Commission the governor may control the use and direct the movements of the constabulary of the Moro Province, this statement was considered sufficient authority for deferring, as far as those districts are concerned, the organization of the constabulary directed to be made by section 21 of the act referred to. Within the last thirty days, however, the governor has asked that constabulary be organized in those districts as soon as possible, and the matter only awaits the assignment of officers by the chief of constabulary to proceed with speed. Enlistments in the districts organized have been principally of Mohammedans and pagans. The illiteracy of these has made it necessary to secure a few Christians in each district, and in Zamboanga the Moslem and Christian have been enlisted in about equal proportions. For a time it was supposed that the well-known dislike of the Moro to eat with the Filipino, a feeling which is reciprocated with interest, was unconquerable, but the experience of eight months shows that Moslem, pagan, and Christian amalgamate with but little friction. Separate messes have been abolished. Tribal lines are disappearing, the loyalty to his new corps and white officers replacing the allegiance paid by the Moro to his hereditary datu for many ages. The objection of the Islam to a hat with a brim was met by the authority of the chief of constabulary for the use in the Moro Province of a red fez with black tassel. The Moro is proud to wear that, and the result is a very smart and attractive uniform. The Filipino acquires military instruction more quickly than the Moro or pagan, having seen more of Spanish and United States soldiers, but in the opinion of the undersigned has not the seriousness, force, or physique of the Moro—an opinion not dissented from by any constabulary officer on duty in the Moro Province.

The Moro soldier is quiet, contented with his fare and surroundings, anxious to learn and please his officers, and will be true to the government that feeds and pays him. Cottabato Moros enlisted last autumn for the constabulary of Zamboanga are now on duty among their own people, self-respecting, proud of their uniform and newly acquired bearing, and it is believed happy in their emancipation from the old ties.

At the date of this report Moros of the constabulary are in the field accompanying expeditions after Datu Ali in the Cottabato district, and against the Sultan of Masibay in the Lanao district, and rendering loyal service against people of their own blood and religion.

Not a few of the Moros who have enlisted were slaves who realized that the ranks of the constabulary offered the best protection against former masters. The absolute illiteracy of the Moro and pagan will be the greatest drawback to their usefulness. Less than half a dozen of those now in service can read and write. Schools to teach them are in progress at every station, and the legislative council of the Moro province has facilitated this by authority of the superintendent of schools to recognize our schools as on a footing with all others in the province in the matter of supplies, etc., a resolution for which the constabulary is indebted to the good offices of Supt. N. M. Saleeby. The influence on these people of the constabulary among them will be one of the most potent aids to their civilization. The Moro, Bagobo, Manobo, Mandaya, Tiruray, etc., who exchanges his breech clout and spear for the khaki and carbine becomes a marked man among his race, is eagerly questioned at every opportunity as to his arms, clothes, food, and treatment, and every soldier thus becomes to his own people a living evidence of the fulfillment of governmental promises; for his government an advance agent and advocate; and to himself an individual who has taken the upward step to better things.

along it, and the only wagon roads are those built by the army from Lake Lanao to the north and south sides of Mindanao. There is no probability of much use of land transportation for many years to come. In its capabilities for the cultivation of hemp, sugar cane, tapioca, coffee, tobacco, indigo, pepper, and similar products; in its unrivaled forest resources, including gutta-percha and rubber, and its fine climate, this district should prove the most attractive region in the whole archipelago for investment and settlement.

The Rio Grande Valley and that of the Agusan have no rival in the islands in extent or fertility, except in the Cagayan of Luzon. The fine hemp region of Davao district along the east coast is unsurpassed, but the northeast monsoon practically shuts off that coast from the world half of each year. No land under a tropical sun will have a better future than this district when good government and a knowledge of its splendid possibilities bring capital and immigrants to it.

PEOPLE, LANGUAGE, ETC.

The coast from Dapitan by the north and east around to Davao is settled by Visayans. The interior of the Davao district and the mountainous part of the Zamboanga district are occupied by pagan tribes. At Zamboanga there is a mixed population descended from deportados, Spaniards and Chinese, whose language is a corrupt Spanish. On Basilan Island there is a powerful tribe known as the Yaccanes. The balance of the population of the fifth district is Moro, whose religion is debased Mohammedanism. The language when written is in Arabic characters. An occasional chief can read and write, but such work is usually done by Arab and Malay hadjis, who have settled among the Moros and wield much influence, seldom for good. In 1899 Sawyer said of Mindanao:

"The present condition of the island is most lamentable. Nothing could be more dreadful; robbery, outrage, and murder are rampant. Every evil passion is let loose and the labor of years has been lost.

* * * * *

"In the words of one who knows the country well, Mindanao has become a seething hell, and is in a condition more dreadful than ever before in historic times."

So much of the foregoing continued to be true that one is warranted in saying that probably few governments have been confronted by more difficult conditions than that of the Moro Province, created by Act 787 of the United States Philippine Commission. The legislative council of the Moro Province has since last September provided for a public school system; established many municipalities; enacted a municipal code for its province; regulated the sale of intoxicants; protected by legislation some of the peculiar products of this region, such as pearl shells; enacted a land-tax system; established a tribal ward system of government by district governors among the non-Christian tribes until such time as local self-government shall be created among them, and has forbidden the slave traffic. The tribal wards have been defined, the headmen are accepting their offices, and these Mohammedan and heathen people seem marching forward with reasonable rapidity toward order and settled conditions. There is slavery among them, but its extent and its evils have been greatly exaggerated. Throughout the Philippines, and perhaps in many parts of the world, the more intelligent native obtains a hold over the laborer which places the latter in a condition of servitude which is moral if not actual slavery. This exists along the east coast of Mindanao, and there and among the Moros has been extended, human beings being bartered and sold instead of being passed from owner to owner on the covert payment of an alleged indebtedness of the slave. The operation of the slavery law has not met with much resistance, except as it has been viewed by some of the Moro chiefs as the beginning of a general invasion of their ancient customs. Slavery of one Moslem by another is forbidden by the Koran, so that its influence can be invoked where the slavery is not of non-Mohammedans. The open traffic has practically stopped. The complete eradication of slavery will take many years. As the peculiar institution of villanage survived the passing of the feudalism of the Middle Ages and traces of it lingered in England until the days of the Stuarts, it is probable that the slavery now existing among the Moros as a part of their rude feudalism will endure for several generations. The slavery law has been generally disseminated, but with full knowledge of it many persons held in bondage prefer to remain there, although assured of protection if they leave their owners. The whole district is quiet now except for Datu Ali and a small band of his followers in the Rio Grande Valley. The death of Panglima Hassan in Jolo ended active opposition to progress there. The murders around Lake Lanao seem more due to savagery than any rebellion against law. The Taraca expedition has brought now and friendly chiefs into prominence in that region and the prospect is more promising than ever before. In the Rio Grande Valley in March, Datu Ali, a scion of the ancient Moro house of Kudarangan, organized at Srenaya the most formidable coalition against the government yet headed by any Moro. Related to the principal Moro nobility of the valley, with a prestige as a fighting man dating back into the early nineties, Ali's influence brought together several thousand warriors in an exceedingly well-chosen position, fortified with considerable engineering skill. This opposition was disintegrated by the Srenaya expedition, and a later one in the Lake Buluan region, and Ali, while still at large, is to-day dis-

credited among his own people, a fugitive with few followers, and his apprehension is only a question of time. As a strong factor against progress he has disappeared.

The so-called Moro problem is to be solved now by time and patience, firmness and square dealing. There has been considerable friction along the east coast of Mindanao, the shrewder Visayan taking commercial advantage of his pagan or Moslem neighbors, and native officials abusing their power. In Misamis bands of fanatics have several times begun organization, but the constabulary have been able in each case to prevent trouble. There have been some abuses by native officials along the west shores of Iligan Bay, in Misamis Province, and trouble between Roman Catholic authorities and the adherents of the Aglipay church has occurred in one or two places. A few cases of slave stealing by Moros from the Lanao district have occurred, but good work by constabulary officers of Misamis has restored the captives and apprehended the raiders in each case reported. In Surigao general quiet has prevailed. Adriano Concepcion was captured by constabulary in April, and the hanging of four of his companions in the raid last year and his own death sentence ends general outlawry in Surigao. Slight friction in Surigao Province has occurred between Roman Catholics and Aglipayanos, but nothing serious. A very disastrous hurricane on April 23 destroyed crops and damaged towns along the east coast of Surigao, necessitating a distribution of rice in return for labor, in order to prevent suffering.

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There have not been lacking evidences from district governors of the Moro province of what Governor Taft described in an indorsement of September 10, 1902, to the chief of constabulary, as "a feeling of irritation concerning the constabulary which is natural in view of the independence of command which the constabulary have under the law." In that province where the governors are all Americans, and the people governed are nearly all savages accustomed to the authority of patriarch or chief, it has been found necessary to subordinate that independence. Naturally in a savage country acquainted with the title governor, and where constabulary have been unknown, complaints, reports of abuses, etc., flow to the district governors, the apparent fountain of authority, and redress afforded through the constabulary or not is credited to the same source. The constabulary here stands ready to bear its share of this burden, but whether or not it shall do so depends principally on the district governors whose plans and policies for the development of their people might readily be ruined by independent or ill-advised action of a constabulary, and who must choose whether they will throw this work to the force created by law to perform it. Since the establishment of this district the military have been withdrawn from Surigao and Misamis provinces, and in the Moro province from the stations of Tukuran, Misamis, Dapitan, Siasi, and Bongao, and the navy from Pollok and Isabela de Basilan, which have all been garrisoned by constabulary, not a small part of whose work here for many years will be as a moral force guaranteeing good order by its mere presence and exploration of the unknown regions which surround these remote stations. There is no ladronism or political agitation in this district after the manner of other parts of the archipelago, and he who should judge of the work being done and to be done here, by a bare comparison of arrests made, for example, with the restless Tagalog provinces, would argue himself ignorant of conditions here and the work required. A tabulation of the ordinary routine accomplished, to include May, is appended and marked "A." The strength of the district by tribes, stations, and provinces is tabulated in appendix marked "B."

In considering the work done in this district it is deemed proper to invite attention to the fact that all the districts of the Moro province are paid and supplied by the district supply officer and his assistant. This means a saving of three supply officers as compared to the administration of other provinces, not to mention storehouses, handling, etc., has worked satisfactorily, and the credit for it is due First Lieut. Frederick Johnson, Philippines Constabulary, district supply officer, whose industry and capacity have made it possible, and who has been without an assistant until May.

On the arrival of the undersigned in this district in September four companies of Philippine Scouts were on duty with the civil government in Mindanao. They were returned to the military early in October, the necessity for their retention with the civil government having passed.

The coast-guard launch *Ranger* was on duty in the district from September 28, 1903, to June 5, and steamed 15,987 miles, for the most part of which she carried the undersigned on visits of inspection. The services of this ship have been very satisfactory; the business of the district could not have been carried on without her. The launch *Troy* has been on duty in the district since April 6, and has steamed 5,214 miles. Two such vessels will be a continuing necessity in the district.

In the opinion of the undersigned, two great steps toward the efficiency of the constabulary have been taken in the last half year; one, the inauguration of a messing system, and the other, the establishment of a uniform system of instruction. The ration checks and other administrative machinery of the new messing system are admirable and testify to the possession of brains and their exercise by the officer who arranged it. Its working in this district has been eminently satisfactory, the cash allowance is ample, and with prompt honor to requisitions for funds on the part of the supply department, and senior inspectors held to their duty by district chiefs, can not fail to be a permanent success. The school order, like the messing system, depends somewhat on supplies for its success. In this district the illiteracy is such that much elementary instruction must be given, reading and writing necessarily preceding much that is prescribed in the school order. Here, too, the use of English in speaking to soldiers will be a great aid. Few of them know any Spanish, and there is no reason for them to learn it. The course of instruction prescribed from constabulary headquarters is excellent, and while progress under it, subject to the interference of many duties and a lack of supplies and teaching capacity on the part of officers will be slow, time is bound to show good results.

NEEDS OF THE DISTRICT.

The proportion of officers and noncommissioned officers necessary in this district is greater than that required where the natives are more civilized and soldiery less illiterate. Command of isolated posts can not be trusted to noncommissioned officers. There are too many tribal and race antipathies which, when properly handled by white officers, may even increase the efficiency of the constabulary, but when given rein in native hands might

bring shame to our corps. The crying need of the district thus far has been officers. Hardly a senior inspector has had an officer at his home station to keep up its administration and instruction while attending to the administration of his other territory, and efficiency has suffered. Noncommissioned officers should be continued in this district, as has been done by the chief of constabulary, in the ratio of a first sergeant, 5 sergeants, and 12 corporals to each 150 men. This allows the grade of first-class private to lapse. This proportion of noncommissioned officers is but half that which obtains in the constabulary of Borneo, which handles an identical people. It is believed that the public interest would be served if the law were amended to permit enlistments to be made outside the province or district in which the soldier is to be used. In trying to handle this population with soldiers selected from among them, we do not follow the lead of nations more experienced in the management of oriental peoples. In Borneo the Sikh, Cingalese, Filipino, Confucian, and Moro mingle in a force whose problem is similar to our own. In our frontier Indian wars men of one tribe were used as scouts against others, but seldom if ever against their own tribesmen. Members of our National Guard have on at least one occasion affiliated with the mob they should have confronted.

Sufficient water transportation is an essential to the administration of this district. Sailboats have been provided for the constabulary of Misamis, Davao, and Sulu. The chief supply officer has been asked to include in his estimate for the appropriation for the new fiscal year the purchase of two light-draft launches for use in Surigao and Cottabato. In each there is a great river, along which the constabulary has a great work to perform, and where a magnificent valley largely awaits the coming of the constabulary to take up the march of development under its protection. In neither the Agusan nor Rio Grande valleys will it be possible to station or maintain constabulary without water transportation. Not later than another year such launches will be needed in Sulu and Zamboanga. It is to be noted in this connection that animal transportation will never be needed in the great part of this district.

GENERAL RECOMMENDATIONS.

The appointment of a traveling dentist for each constabulary district would be a help to the health and efficiency of our officers and to the interest of the government. Within the short time this district has been organized, three officers have had to leave their stations for extended dental treatment, and have been robbed by exorbitant prices charged by army dentists.

The authorization of the employment by each senior inspector of a native clerk at not to exceed ₱35 per month, to attend to the burden of court work that falls on constabulary officers is recommended. For the constabulary administration routine no clerk is needed, but the work in connection with trials and prosecutions would seem to justify the employment of a clerk.

The uniform of the constabulary in appearance leaves little or nothing to be desired. The quality of certain articles is poor. The tan shoes do not stand wear even in stations. The undersigned has seen a pair of them wear out in two days in rough traveling. The hemp-soled sandal is a good thing, but accumulates trash and gravel in its open top. It should have a bellows tongue and lace to the ankle. Woolen khaki-colored puttees worn in this district give excellent satisfaction. They are more durable than canvas leggings, look better and are more comfortable, and the cost is but little greater. Their adoption for the entire constabulary is suggested. An increase of clothing allowance and rearrangement of periods of settlements is recommended. In the opinion of the undersigned the uniform should not be chosen entirely on lines of utility, especially with oriental peoples. No soldiers will respond more quickly to efforts for "smartness" than our constabulary; that is a thing to be encouraged. Much of the soldier's influence among his own people will depend on the appeal to the eye, the dressiness of his garb, which at least in the Moro land means bright colors. The smartness of this constabulary uniformed for the field, with red fez, puttees, khaki trousers, dark-blue shirt, with red-blanket roll, has won praise from the commanding general of the department and other military men. The passing of the red blanket is a matter of regret to the undersigned, for the invisibility of the new issue will never compensate the Moro soldier for the loss of the dressed-up feeling it gave him to carry the red one.

It is believed that a knowledge of the vernacular of his region by every inspector should be a requisite to the retention of his position. It should be necessary to his promotion, and a monetary regard should be paid for proficiency. At the same time in regions where the constabulary soldiers know little Spanish all conversation with them should be held in English. Not knowing Spanish, they should not be made to learn it, as is now the tendency. The observation of the undersigned leads him to believe that examinations for payments of a bonus for learning native dialects to ascertain fitness for appointment on original entry into the constabulary and to determine the promotions of officers should be held by the civil-service board. Examinations conducted by brother officers are not very seriously

considered, either in the United States Army or the constabulary. They should be serious matters; eliminate the unworthy, and indicate our best material for promotion.

There is no question which so vitally touches the present and future of the constabulary as the question of more pay for its officers. Scarcely one among them whose services are worth retention but has been tempted by offers from civil life or from other branches of the insular government. Some remain with us for love of the life, others from a hope of assured permanent position at good pay, but in the end to retain these men and obtain others that will do the work the standard of pay must be raised. Officers now work over clerks that are better paid; supply officers are expected to have the honesty and ability that everywhere else in the world commands a good price, and many of our officers are actually put to shame by their poverty. Brains and integrity are commodities, and they can not be bought of first rate quality at second or third rate prices.

Respectfully submitted.

J. G. HARBORD,

Assistant Chief Philippines Constabulary, Commanding District.

THE ADJUTANT-GENERAL, PHILIPPINES CONSTABULARY,
Manila, P. I.

A.—Epitome of work by provinces from October 1, 1903, to May 31, 1904.

	Province or district.							Total
	Cotta-bato. ^a	Davao	Lanao. ^a	Misamis.	Sulu.	Suri-gao.	Zambo-anga.	
Miles traveled.....		2,412		2,035	594	1,083	3,338	9,462
Expeditions.....		36		43	9	29	53	170
Firearms captured.....				19			19	38
Escorts furnished.....		3		1		2	3	9
Warrants executed.....				10		68	9	87
Arrests without warrant.....		9		15		18	68	110
Slaves freed.....		14		5			7	26
Slavery cases investigated.....		14		3			7	24
Stolen animals recovered.....				3				3
Inspections from district head-quarters.....		8		8	8	8	8	40

^a Not organized in time for May returns.

NOTE.—Figures from Surigao and Misamis only show to include April 30, May returns not having been received at date of this report.

Enlisted strength of provinces by races.

	Province or district.							Total
	Cotta-bato.	Davao	Lanao.	Misamis.	Sulu.	Suri-gao.	Zambo-anga.	
Maguindanao Moros.....	22	5	3				42	72
Tagalogs.....		1		2		2	4	9
Bagobos.....		7						7
Visayans.....		59		100	5	92	7	263
Pampangans.....						1		1
Zamboangans.....			1	8			67	76
Ilocanos.....		2					1	3
Spaniards.....		1						1
Joloano Moros.....					61			61
Mandayans.....		33						33
Manobos.....		2						2
Ilongos.....		2						2
Total.....	22	112	4	110	66	95	121	530

**ANNUAL REPORT OF THE CHIEF OF THE BUREAU OF COAST
GUARD AND TRANSPORTATION FOR THE FISCAL YEAR ENDING
JUNE 30, 1904.**

BUREAU OF COAST GUARD AND TRANSPORTATION,
Manila, P. I., August 22, 1904.

SIR: I have the honor to make the following report concerning this bureau's operations during the fiscal year ended June 30, 1904:

The bureau still consists of three divisions, namely, division of light-house construction, division of light-house maintenance, and division of vessels.

At the beginning of the year the organization was as follows: J. M. Helm, commander, U. S. Navy, chief of bureau; Henry Jervey, captain of Engineer Corps, U. S. Army, superintendent of the division of light-house construction; A. Franklyn, superintendent of the division of light-house maintenance; Wm. Howe, superintendent of the division of vessels; D. D. Wilson, inspector of machinery; 1 chief clerk, class 5; 1 chief property clerk, class 6; 1 disbursing officer, class 6; 1 pay officer, class 6; 1 clerk, class 7; 1 draftsman, class 7; 4 clerks, class 8; 5 clerks, class 9; 1 storekeeper, class 10; 1 storekeeper, class A; 3 clerks, class A; 2 assistant storekeepers, class F; 1 clerk, class J; 3 employees, at \$180 United States currency per annum; 5 employees, at \$150 United States currency per annum.

By authority of Act 1049 an additional class 7 clerk was employed, and a mechanic, class 9.

On August 12, 1903, Capt. Spencer Cosby, Corps of Engineers, U. S. Army, relieved Capt. Henry Jervey as superintendent of light-house construction.

On September 24, 1903, Mr. D. J. Curran succeeded Mr. D. D. Wilson as inspector of machinery.

On March 8, 1904, Mr. Frank P. Helm succeeded Mr. Wm. Howe as superintendent of the division of vessels.

In order to conform to titles for similar offices in the United States, and for the sake of brevity, the titles of the different superintendents of the divisions were, by act of the Commission, recently changed to "light-house engineer," "light-house inspector," and "marine superintendent."

FLEET.

The fleet of the bureau consists of 15 single-screw 148-foot steamers, built at Shanghai, China; 2 twin-screw 140-foot steamers, built at Uruga, Japan; steam launches—*Ranger*, length 110 feet; *Rover*, 99 feet; *Pittsburg*, 93 feet; *Troy*, 86 feet; *Picket*, 102 feet; *Leader*, 78 feet; stern-wheel river steamer *Sentinel*, 90 feet; 6 river and harbor launches in use around Manila, ranging from 20 to 80 feet in length; the 25-ton sailing sloop *Jervey*, used by the light-house construction division in connection with working parties.

considered, either in the United States Army or the constabulary. They should be serious matters; eliminate the unworthy, and indicate our best material for promotion.

There is no question which so vitally touches the present and future of the constabulary as the question of more pay for its officers. Scarcely one among them whose services are worth retention but has been tempted by offers from civil life or from other branches of the insular government. Some remain with us for love of the life, others from a hope of assured permanent position at good pay, but in the end to retain these men and obtain others that will do the work the standard of pay must be raised. Officers now work over clerks that are better paid; supply officers are expected to have the honesty and ability that everywhere else in the world commands a good price, and many of our officers are actually put to shame by their poverty. Brains and integrity are commodities, and they can not be bought of first rate quality at second or third rate prices.

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Total.....	22	112	4	110	66	95	121	530

A building 250 feet long is in process of construction and should be completed early in the fall. Two-thirds of it will be used for a machine shop and the other third as a warehouse for the division of vessels. Temporary offices will probably be established on upper floor of this warehouse.

The insular purchasing agent has established a coal pile on this island for the use of coast-guard vessels, and what is known as the inner basin has been dredged out in part to allow the coast-guard vessels under repair to enter and moor in safety during the typhoon seasons.

The mud dredged out of the inner basin and also between the walls where the marine railway is under construction has been used for filling in the low part of the island, and in this way quite a valuable piece of ground has been partly reclaimed. It will be necessary to fill in with sand and gravel over the top of the mud to complete this job, however.

Water pipes have been laid across the canal and along the island, connecting with the city water supply, and water tanks are in process of construction. The water arrangements up to the present time, however, have not been altogether successful. An artesian well, in addition to the present city water supply, is under consideration.

The alteration of old buildings, construction of new buildings, laying of water pipes, etc., are in charge of the bureau of architecture.

A system of tramways and derricks, of sufficient capacity to hoist in and out ordinary sized boilers, is under consideration.

Coal sheds and an office building, etc., will be eventually required, but their construction will be delayed until more pressing work has been completed.

It is hoped that in the course of time the government will provide a new detention camp for Chinese, and that the old camp located on the pier on the south side of the mouth of the Pasig River will be removed and this pier left unobstructed, so that pilots of boats entering or leaving the river will be able to see across the pier, and thus materially reduce the risk of collision at the mouth of the Pasig.

Reports of the light-house engineer, Capt. Spencer Cosby, and Assistant Engineer W. H. Robinson, showing progress made in construction of Marine Railway, are appended.

COAL.

The insular purchasing agent proposes consolidating the coaling stations, and contemplates keeping piles only at Manila, Romblon, Iloilo, Cebu, Tacloban, Zamboanga, and Jolo. It has been recommended, however, that a small supply be kept also at Aparri, San Fernando de Union, or other place on Lingayen Gulf, and Balabac.

At Liguán, Batan Island, a coal deposit, now in process of development by the government, may prove valuable. The coal has already been tested by our steamers with very satisfactory results. "Coal Harbor" (the name given to the harbor where this coal is loaded) is reported to afford good anchorage and shelter in all kinds of weather. If everything is successful, this will prove to be a most valuable coaling station for the vessels operating on the eastern coast of Luzon or vicinity.

Two of the cutters (the *Corregidor* and *Romblon*) and the launch *Picket* have been equipped for and are operated as light-house tenders.

The cost of maintenance and operation of the cutters is about \$28,000 gold per annum each; of the seagoing launches, about \$15,000 gold per annum each, and of the harbor launches, from \$1,500 to \$7,500 gold per annum each, according to size.

Actual figures for running each vessel during the fiscal year 1904 may be seen in attached reports of the marine superintendent and the light-house inspector.

SUMMARY OF BUREAU EXPENDITURES.

The actual expenses of the bureau from July 1, 1903, to June 30, 1904, were:

Salaries and wages and contingent:	
Expenses of offices.....	₱ 81,443.91
Construction and equipment of vessels.....	1,808,244.75
Construction and equipment of marine railway and machine shops....	65,521.70
Light-house construction division:	
Repairs of old light-houses.....	₱ 30,641.77
Construction of new light-houses.....	198,144.53
	228,786.30
Light-house maintenance division: Maintenance of light-houses and maintenance and repair of light-house tenders, buoys, beacons, etc.....	215,240.65
Division of vessels: Maintenance and operation of cutters and launches....	1,217,448.69
Total.....	3,616,686.00

ENGINEER ISLAND.

At the beginning of the fiscal year Engineer Island had been transferred to the bureau of coast guard and transportation to be used as a dock yard, and an expenditure of \$140,000 for the building of a marine railway and the purchase of machinery and tools for machine shop authorized.

Along about January 1, 1904, a few machines and tools, such as could be collected in Manila, were purchased and temporary shops started in some of the old sheds found on the island. With these tools work to the extent of ₱20,678.43 has been done for the division of vessels, and to the value of ₱9,304.04 for other divisions of the bureau and other branches of the government. For the division of vessels this amount is figured at cost price of labor and material, and to the actual cost of labor and material 10 per cent has been added and charged for the work done outside of the division of vessels to cover wear and tear on the plant.

Mr. D. J. Curran, inspector of machinery, has charge of these shops and deserves credit for the economical and practical way in which he has performed work with the few facilities available.

On February 4, 1904, contract was entered into with the Atlantic, Gulf and Pacific Company for the construction of a 1,400-ton marine railway, at a cost of \$104,900 United States currency, to be completed by December 15, 1904, and it looks now as though the contractors would fulfill the agreement satisfactorily.

Alterations to existing buildings to make warehouses for the two divisions of the light-house service are practically completed and the light-house construction division has already moved in. The division of light-house maintenance has partly moved in.

A building 250 feet long is in process of construction and should be completed early in the fall. Two-thirds of it will be used for a machine shop and the other third as a warehouse for the division of vessels. Temporary offices will probably be established on upper floor of this warehouse.

The insular purchasing agent has established a coal pile on this island for the use of coast-guard vessels, and what is known as the inner basin has been dredged out in part to allow the coast-guard vessels under repair to enter and moor in safety during the typhoon seasons.

The mud dredged out of the inner basin and also between the walls where the marine railway is under construction has been used for filling in the low part of the island, and in this way quite a valuable piece of ground has been partly reclaimed. It will be necessary to fill in with sand and gravel over the top of the mud to complete this job, however.

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VESSEL REPAIRS AT CAVITE NAVY-YARD.

The United States navy-yard at Cavite has continued aiding us in making vessel repairs at cost price, as far as the needs of the naval service would permit. This bureau is especially under obligations on that account to Capt. A. R. Couden, U. S. Navy, commandant, and other officers of the navy-yard for many courtesies shown.

VESSEL REPAIRS AT CAÑACAO.

An agreement has been reached with El Varadero de Manila for the docking of our vessels at Cañacao and the performing of such work as may be found necessary. The following vessels have been docked for the bureau by that company during the year: *Negros*, *Corregidor*, *Polillo*, *Rover*, *Tablas*, *Mindanao*, *Basilan*, *Marinduque*, *Luzon*, *Romblon*, *Leyte*, *Masbate*, *Busuanga*, *Samar*.

SHAFTS OF SHANGHAI CUTTERS.

On December 16, 1903, while off the Zambales coast near Santa Cruz, the *Mindanao's* tail shaft broke and her propeller was lost.

No great alarm was felt about this. It was thought at the time that likely the trouble was due to a flaw and not to poor material and workmanship being used in the manufacture of all the Shanghai cutter shafts.

On April 1, 1904, while off Catanduanes Island, the *Leyte's* propeller dropped off.

On April 17, 1904, off the coast of Negros Oriental, near Dumaguete, the *Busuanga's* propeller dropped off.

On April 30, 1904, when near Calapan, Mindoro Province, the *Masbate's* propeller dropped off.

Fortunately all these shafts broke when the weather was fair and the sea smooth. The damage done was not serious beyond the actual loss of the money value of the propellers and shafts.

All four shafts broke short off near the propellers, and it was found that the metal was poor, containing flaws, and that propellers and shafts were poorly fitted together. It is thought that all other Shanghai cutters should be docked at the first opportunity and have their propellers and shafts closely examined. The *Samar*, *Luzon*, and *Negros* were docked, and an examination showed the necessity of replacing tail shafts, which was done.

The Philippine government still holds a guarantee check of Messrs. Farnham, Boyd & Co., for \$30,000 United States currency, pending settlement of claims against them. There are also unpaid bills rendered by Farnham, Boyd & Co., aggregating about \$4,000, which will not be paid until all controversies between that firm and the Philippine government are satisfactorily adjusted.

DIVISION OF LIGHT-HOUSE CONSTRUCTION.

The division of light-house construction was originally organized by Capt. Henry Jervoy who, when he came to the bureau in the spring of 1902, found absolutely nothing except the wrecks of the Spanish light-houses, which had been neglected for the previous six years, and few facilities to draw from either in the way of material or

personnel. Captain Jervey, after more than a year's arduous and ceaseless labor, had gotten things into as good shape as possible with the means available, when he was relieved by Capt. Spencer Cosby, who has carried on the work of organization and building in a manner to be expected from an officer of the Corps of Engineers, U. S. Army.

Captain Cosby's report is attached hereto.

DIVISION OF LIGHT-HOUSE MAINTENANCE.

This division has carried on the ordinary routine of inspecting and supplying various light-houses already in operation, and equipping and providing for the others as fast as completed by the division of light-house construction. This department has also had charge of the personnel, and labored to perfect the organization of the light-house keepers, and for the education of apprentices to supply waste and to fill new positions as the light-house establishment increases.

The three light-house tenders were in charge of the light-house inspector, and have transported all the construction material and supplies for both divisions of the light-house establishment.

This division also has charge of the placing of buoys, and their care and preservation.

The division still remains in charge of Capt. Alexander Franklyn, who seems to have mastered the duties of a light-house inspector, and has brought his division up to a very satisfactory state of efficiency.

The remarks made about the personnel of officers of the division of vessels apply to the light-house tenders also.

As to the Filipino light keepers, of whom we have more than 100, I would like to say that in many instances they are responsible for a great deal of government property and for the care and preservation of delicate, intricate, and expensive machinery; also that they have considerable office work to perform in the way of accounts and returns; and at first, second, third, and fourth order light stations have the control and administration of quite extensive establishments, many of which are comparatively isolated and can not be visited frequently. The manner in which they have met their responsibilities and performed their duties seems to me creditable.

Attention is invited to the report of Capt. A. Franklyn, light-house inspector, inclosed herewith.

DIVISION OF VESSELS.

This division controlled, on July 1, 1903, 11 cutters, 3 seagoing launches, the stern-wheel river boat *Sentinel* on the Rio Grande de Cagayan, and 5 bay and river launches.

It received later the following vessels: Cutters: *Mindanao*, received from Shanghai August 21, 1903; *Mindoro*, September 18, 1903; *Samar*, September 18, 1903; *Leyte*, October 3, 1903; *Panay*, October 6, 1903. Seagoing launches: *Pittsburg*, from Misamis Province, July 20, 1903; *Troy*, from Cebu Province, January 12, 1904. Harbor launches: *Cuyo* (*Basilan*), from district of Isabela, October 26, 1903; *Leader*, from Sorogon Province, June 12, 1904.

The seagoing launch *Scout* was driven ashore at Pandan, Antique Province, by a typhoon on the night of June 23, 1904, and became a total wreck. She was purchased about two years ago for the sum of \$31,500 Mexican currency. Her measurements were: Length, 100 feet; breadth, 17 feet; and draft, 9 feet.

PERSONNEL OF THE FLEET.

The personnel of the fleet still consists of American officers (or European officers who have taken the oath of allegiance) and Filipino petty officers and crews. It must be understood that when the Philippine government collected so many vessels in a short time a sufficient number of desirable men could not be secured immediately, and owing to that fact it was necessary to take almost such as applied, but during the year there has been a gradual weeding out, and it is thought that a marked improvement has been made in both classes. It is hoped to still further increase the efficiency of the officers by slight increases of the pay of first officers, second officers, and assistant engineers.

Many and frequent changes in crews occurred during the earlier stages of organization, but there has been steady improvement in this respect, and the crews now seem to be very well satisfied as a rule, and disposed to remain more or less permanently. To accomplish this it was necessary to get the voluntary assent of the Filipino, as no rules of enlistment or contracts can hold a Filipino sailor when he gets ready to leave. At present, changes among the crews are comparatively few.

It is thought that under these circumstances officers and crews have done very well, and that they should be credited with a record of having very few accidents, and that the service is as good as could be expected. To their credit it must also be said that coast-guard vessels are required to go into many unfrequented places, often where there have been no surveys.

VESSELS ON ROUTES.

The routes over which vessels run regularly have been modified as found necessary, and additional routes added. At the end of the fiscal year the routes are 11 in number, as follows:

[No. 1.—Headquarters at Manila.]

Boat to leave on the 1st and 15th of each month for San Fernando, Candon, San Esteban, Vigan, Salomague, Laoag, and Aparri; returning via same route. Will also visit Capones Island and Cape Engaño light-houses when necessary, while on regular trips.

[No. 2.—Headquarters at Manila.]

Boat to leave on the 1st and 15th of each month for Batangas, Lucena, Boac, Pasacao, Sorsogon, Calbayog, Cathalogan, Tacloban, and Surigao; returning via same route. Will stop at Cananay light-house when necessary.

Will stop at San Pascual each trip on the way back to Manila, and will stop there on the way south when necessary.

[No. 3.—Headquarters at Manila.]

Boat to make alternate long and short trips, with from 15 to 20 days between sailings.

Long trip to Coron, Culion (Halsey Harbor), Cuyo, San Jose de Buenavista, Iloilo, San Jose de Buenavista, Cuyo, Puerto Princesa, Balabac, Cape Melville, Puerto Princesa, Cuyo, Culion, Coron, and Manila.

Short trip to Abra Island light, Coron, Culion, Cuyo, San Jose de Buenavista, Iloilo, San Jose de Buenavista, Cuyo, Puerto Princesa, Cuyo, Culion, Coron, and Manila.

When necessary will visit Luzaran light, Tinotian, Araceli, Agutaya, and Cagayancillo.

[No. 4.—Headquarters at Manila.]

Leave Manila about the 5th of each month for Lucena, Masbate, Sorsogon, Legaspi, Virac, Tabaco, Bicol River (for Nueva Caceres), Pandan, Daet, Atimonan, Mauban, Binangonan, Polillo, Kasiguran, Baler, Polillo, Binangonan, Mauban, Atimonan, Daet, Pandan, Bicol River, Tabaco, Virac, Legaspi, Sorsogon, Masbate, Lucena, and Manila.

[No. 5.—Headquarters at Iloilo.]

Sail on 1st day of each month for Bacolod, Escalante, Concepcion, Capiz, Romblon, Capiz, Calivo, Pandan, Bugasan, San Jose, San Joaquin, and Iloilo.

Sail on the 15th day of each month for Bacolod, San Joaquin, San Jose, Bugasan, Pandan, Calivo, Capiz, Romblon, Capiz, Concepcion, Escalante, Bacolod, and Iloilo.

When necessary stop at Gigantes Island light, Manigonigo light, San Fernando, Laoag, Manapla, Estancia, Ibajay, Buruanga, Sibaste, Colasi, Tibao, Patnogan, Sipalay, Isio, Ilog, Binalbagan, and Himamaylan.

It is intended that this boat shall meet route 6 vessel at Escalante each trip.

[No. 6.—Headquarters at Cebu.]

Sail on 1st of each month to Poro, Bogo, Escalante, Tiburan, Balamban, Valle Hermoso, Barili, Dumanjug, Tayasan, Bais, Dumaguete, Siquijor, Dumaguete, Oslob, Tagbilaran, Dalaguete, Argao, and Cebu.

Sail on 15th of each month to Argao, Dalaguete, Tagbilaran, Oslob, Dumaguete, Siquijor, Dumaguete, Bais, Tayasan, Dumanjug, Barili, Valle Hermoso, Balamban, Tiburan, Escalante, Bogo, Poro, and Cebu.

When necessary stop at Capitancillo light-house, Danao, Sogod, Bantayan, San Carlos, Guijulugan, Ginatilan, Zamboangita, and Siaton.

It is intended that the boat on this route shall meet the cutter on route No. 5 at Escalante each trip.

[No. 7.—Headquarters at Tacloban.]

Sail on or about the 6th of each month for Carigara, Caibiran, Naval (Biliran Island), Leyte, San Isidro, Villaba, Palompon, Ormoc, Cebu, Baybay, Hindang, Hilongas, Maasin, Malitbog, Liloan, Cabalian, Hinunangan, Abuyog, and Tacloban.

Sail on or about the 20th of each month for Catbalogan, Calbayog, La Granja, Catarman, Laguan, Oras, Borongan, Guinan, and Tacloban. Touch at Tubig during this trip whenever necessary.

[No. 8.—Headquarters at Zamboanga.]

Sail on the 1st day of each month for Malabang, Cottabato, Davao, Baganga, Mati, Davao, Cottabato, Malabang, and Zamboanga; thence to San Ramon government farm, Jolo, and Sasi, and back to Zamboanga. Stop at Mati five hours.

Sail on the 15th day of each month for Malabang, Cottabato, Davao, Mati, Baganga, Davao, Cottabato, Malabang, and Zamboanga; thence to San Ramon government farm, Jolo, and Siasi, and back to Zamboanga.

On the eastward trip touch at Caraga when necessary.

On the southward trip touch at Bongao when necessary.

[No. 9.—Headquarters at Cebu.]

Sail on or about the 1st and 15th of each month for Dumaguete, Dapitan, Oroquieta, Misamis, Iligan, Camp Overton, Cagayan, Mambajao, and Surigao; returning via same route.

On trip commencing 1st of month from Cebu, on the way south stop at Tagbilaran, and on the return portion of trip, commencing at Cebu on 15th of each month, stop at Tagbilaran.

Stop at barrio near mouth of Butuan River (for Butuan) on first trip of month when outward bound and on last trip of month when homeward bound.

Stop at Talisayan when necessary.

[No. 10.—Headquarters at Manila.]

Sail on or about the 9th and 24th of each month for Calapan, Romblon, Masbate, Cebu, Zamboanga, Jolo, Cebu, Masbate, Romblon, Calapan, and Manila, stopping en route at Capitancillo light-house when necessary.

[No. 11.—Headquarters at Aparri.]

Sail on or about the 8th, 15th, 22d, and 29th of each month for Alcala, Tuguegarao, Ilagan, and any intermediate points where stops are required.

VESSELS PERFORMING SPECIAL SERVICE.

In addition to operating on the foregoing routes, and affording the government means of communication and enabling it to carry on its duties between the islands, and transporting constabulary and

United States troops from place to place to suppress insurrection and local outbreaks, etc., these vessels have performed a considerable amount of special work, mentioned in detail in report of the marine superintendent.

Attention is invited to the report of Capt. James Miller, relating to the special duty of the cutter *Tablas* in the Sulu Archipelago.

Respectfully,

J. M. HELM,

Commander, U. S. Navy, Chief of Bureau.

The SECRETARY OF COMMERCE AND POLICE,

Manila, P. I.

REPORT OF THE LIGHT-HOUSE ENGINEER.

BUREAU OF COAST GUARD AND TRANSPORTATION,
DIVISION OF LIGHT-HOUSE CONSTRUCTION,

Manila, P. I., July 26, 1904.

CHIEF OF BUREAU OF COAST GUARD AND TRANSPORTATION,

Manila, P. I.

SIR: I have the honor to transmit herewith the report of Mr. W. H. Robinson, assistant engineer, showing in detail the progress of the work of constructing the marine railway on Engineer Island, at the mouth of the Pasig River.

Before any work was done on the railway proper, a survey was made of the site selected, borings were driven to a depth of 100 feet to ascertain the nature of the underlying soil, and its bearing power was determined by driving and loading test piles. The results being satisfactory a bulkhead was built across the upper end of the slip chosen as a site; this served the double purpose of providing a convenient basin for the deposit of the material that had to be dredged to prepare the foundations, and of allowing a depression in the island covered with water to be reclaimed and used in connection with the railway.

After due advertisement, the contract for building the railway was let to the Atlantic, Gulf and Pacific Company, who submitted two bids, one for a cradle with a timber substructure and the other for one with a substructure of steel. The latter bid, though the higher, was by authority of the civil governor accepted as being the more advantageous to the government.

The contractors commenced work promptly and have so far pushed it vigorously and satisfactorily. All their operations are carefully watched and supervised, and every detail of the work closely inspected by this office. It is hoped that the railway will be ready for operation before the end of the calendar year.

Very respectfully,

SPENCER COSBY,

Captain Corps of Engineers, U. S. Army, Light-house Engineer.

BUREAU OF COAST GUARD AND TRANSPORTATION,
DIVISION OF LIGHT-HOUSE CONSTRUCTION,

Manila, P. I., July 26, 1904.

Capt. SPENCER COSBY, Corps of Engineers, U. S. Army,

Light-house Engineer, Manila, P. I.

SIR: I have the honor to submit the following report, showing in detail the progress, during the fiscal year 1904, of the work of constructing the marine railway on Engineer Island:

1. On June 1, 1903, the Philippine Commission passed an Act No. 788, authorizing the construction of a 1,400-ton marine railway and machine shops on Engineer Island, Manila, P. I., to provide an adequate place for docking and repairing coast guard and other government vessels. The expenditure of \$140,000 United States currency was authorized for the purpose, but the act did not carry an appropriation with it. On August 11, 1903, Act 831 was passed carrying among other items an appropriation of \$35,000 United States currency for the purposes of the marine railway and machine shops, and on April 11, 1904, an additional appropriation of \$20,000 United States currency was made available by Act 1114.

2. By Act 788 the chief of the bureau of coast guard and transportation was authorized to construct the work, and by his direction the light-house engineer proceeded with the work

of obtaining data and doing the necessary preliminary work for the construction of the marine railway.

3. A survey party was organized in July, 1903, for the purpose of making a plat of Engineer Island and the adjacent slip or waterway wherein was to be located the marine railway. Soundings and borings to the depth of 100 feet were made and all possible information was secured as to the practicability of the scheme. Test piles were driven and loaded up to 20 tons per pile, and it was decided that it was feasible to build a marine railway on a pile foundation on the site selected.

4. To properly prepare Engineer Island for the purpose intended, by increasing the area of available land, and to make a site for a power house and other buildings, it became necessary to construct a temporary bulkhead across the slip. This bulkhead was intended to close the north end of the slip and thus form a basin into which material dredged from the marine railway site could be deposited, and thereby at one operation dredge the slip and build up the island.

5. Plans and specifications were made for the temporary bulkhead, and the work was advertised to contractors on August 1 and bids opened August 31, 1903. The bids received were so high that it was deemed more economical and advantageous to the Government to build the bulkhead by day labor, and the completion of the work at about the estimate of cost made by this office justified the rejection of all bids. In this connection the following figures, United States currency, are given for comparison:

Lowest bid received (not including superintendence).....	\$5, 770. 00
Estimate of this office (including superintendence).....	3, 500. 00
Actual cost of completed work of temporary bulkhead, including labor, material, and superintendence.....	3, 547. 35

6. The completion of the temporary bulkhead in December, 1903, and the building of a dike around the portion of the island to be filled practically completed the preliminary work, the cost of which was as follows, stated in United States currency:

Wages, including labor, drafting, and superintendence.....	\$3, 070. 43
Material.....	1, 919. 27
Contingent expenses, including rent of bancas, cascos, and launches and driving of 4 test piles by contract.....	1, 350. 60
Total.....	6, 380. 30

7. Specifications were drawn up and on November 30, 1903, advertisements were published asking for bids for the construction of a 1,400-ton marine railway complete, the contractor to furnish plans of the machinery, cradle, and other parts which he proposed to install. But one bid was received, that of the Atlantic, Gulf and Pacific Company, who proposed to use the marine railway and machinery made by Crandall & Son, of Boston, Mass. They made two offers, one including a wooden cradle for \$95,000 United States currency and the other including a cradle constructed of steel for \$104,900. The plans offered were satisfactory and the costs considered reasonable. Owing to the great activity of the teredo and other marine borers in the waters of the Philippines, and considering the cost of maintenance of the wooden cradle, it was thought advisable to accept the steel construction. On February 4, 1904, a contract was signed whereby the Atlantic, Gulf and Pacific Company agreed to construct the marine railway according to specifications and have the same completed and ready for use by December 15, 1904.

8. Actual work commenced on March 1, when the contractors began removing the concrete blocks and riprap in the slip, placed therein by the Spanish Government in its scheme for the improvement of the port. Dredging was commenced during March, the dredged material being deposited back of the temporary bulkhead. Dredging was continued intermittently until June when all the material necessary to be taken out had been removed, and the basin or low portion of Engineer Island had been filled as much as practicable with soft material. A covering of sand and gravel or other hard material will be necessary before the reclaimed portion of the island will be ready for occupancy.

9. Pile driving for the foundation of the railway was commenced on June 13, 1904, and is being pushed to completion. The foundation piles will all be driven by August 15, and should no unforeseen cause occur the entire work should be finished within the contract time.

10. The actual cost of the work of constructing a marine railway as authorized by Act 788, from the passage of said act to the end of the fiscal year 1904, including all preliminary work, has been as follows, stated in Philippine currency:

Wages:	
July, 1903.....	P 241. 79
August, 1903.....	649. 21
September, 1903.....	1, 019. 37

Wages—Continued.

October, 1903.....	₱1,253.34	
November, 1903.....	1,128.65	
December, 1903.....	1,234.20	
January, 1904.....	481.35	
February, 1904.....	132.96	
March, 1904.....	13.14	
April, 1904.....	154.23	
May, 1904.....	527.12	
June, 1904.....	571.74	
		₱7,407.10

Materials:

July, 1903.....	253.08	
August, 1903.....	263.05	
September, 1903.....	686.40	
October, 1903.....	2,636.01	
		3,838.54

Contingent expenses:

July, 1903.....	73.92	
August, 1903.....	130.43	
September, 1903.....	96.86	
October, 1903.....	1,000.00	
November, 1903.....	562.66	
December, 1903.....	917.33	
		2,781.20

Due contractors (not including the 10 per cent to be retained as per contract):

March, 1904.....	11,860.00	
May, 1904.....	1,918.38	
June, 1904.....	16,799.80	
		30,578.18

Due contractors for extra work (repairing break in bulkhead), March, 1904..

318.72

Total cost to June 30, 1904..... 44,923.74

The above amount may be segregated as follows:

Total preliminary work..... 12,760.61

Due contractors:

Permanent work.....	₱30,578.18	
Extra work.....	318.72	
		30,896.90

Engineering and inspection of permanent work..... 1,266.23

44,923.74

Respectfully submitted.

WM. H. ROBINSON,
Assistant Engineer.

BUREAU OF COAST GUARD AND TRANSPORTATION,
DIVISION OF LIGHT-HOUSE CONSTRUCTION,
Manila, P. I., September 9, 1904.

CHIEF OF BUREAU OF COAST GUARD AND TRANSPORTATION,
Manila, P. I.

SIR: As directed in your letter of September 3, I have the honor to submit the following report of operations of this division for the months of July and August, 1904. This report is supplemental to the annual report for the fiscal year 1904:

The work of the division has progressed as outlined in the annual report. The stations at Bagacay, Capitancillo, and Tanguingui are nearing completion, and the parties who were at San Bernardino, Luzaran, and Bagatao have completed work and been brought to Manila, leaving these stations in good condition. The construction of new station on Apo Reef has been begun and the preliminary work has progressed favorably.

The following is a detailed account in brief of the work done at each station. The financial statements are approximate, owing to the difficulty of obtaining accurate information as to pay rolls, etc., so soon after the end of the month.

CAPITANCILLO.

About one-third of the coping blocks have been set on the retaining wall. The masonry walls of keeper's dwelling have been finished and the foundation of the annex laid. The upright girders of the tower have been erected and about one-half of the cylinder riveted in place. The wages of local laborers at this station were reduced from ₱0.80 to ₱0.50 during July. A number of the men left the work, but others were imported from Tanguingui and some of those formerly employed have returned, so that the pay roll has been reduced without apparent hindrance to the work.

Financial statement.

Balance, June 30.....	₱14,282.00
Appropriated since June 30.....	10,000.00
Total available July 1.....	24,282.00
Expenditures since June 30:	
Wages.....	₱1,493.53
Subsistence.....	945.50
Material.....	1,632.62
	<u>4,071.65</u>
Balance.....	20,210.35
Liabilities:	
Wages, August (estimated).....	1,700.00
Materials.....	396.84
Subsistence.....	1,000.00
	<u>3,096.84</u>
Balance available.....	17,113.51

TANGUINGUI.

The tower has been erected as far as the watchroom floor, but the riveting has not been finished. Bids will be opened on September 12 for furnishing the missing parts of the tower. Keeper's dwelling has been finished except some of the minor details. The foundation and walls of the annex have been completed and concrete walks laid. The drainage system from buildings to cistern is finished and the latter about half covered.

Financial statement.

Total amount (estimated).....	₱59,417.26
Expenditures to June 30.....	36,662.03
Balance.....	22,755.23
Expenditures since June 30:	
Wages.....	₱2,646.26
Subsistence.....	1,381.55
Materials.....	1,208.95
	<u>5,236.76</u>
Balance.....	17,518.47
Liabilities:	
Wages, August (estimated).....	2,700.00
Materials.....	3,206.65
Subsistence.....	1,700.00
	<u>7,606.65</u>
Balance available.....	9,911.82

BAGACAY.

The masonry tower has been completed and is ready for the metal work and lantern. Bids will be opened on September 12 for furnishing the metal work.

The oil and storeroom (concrete) are about half completed. The excavation has been made for the kitchen foundations, road built from dwelling site to well, and posts of dwelling erected and tied together.

Wages—Continued.

October, 1903.....	P1,253.34
November, 1903.....	1,128.65
December, 1903.....	1,234.20
January, 1904.....	481.35
February, 1904.....	132.96
March, 1904.....	13.14
April, 1904.....	154.23
May, 1904.....	527.12
June, 1904.....	571.77

Materials:

July, 1903.....	253
August, 1903.....	268
September, 1903.....	68
October, 1903.....	2,61

Contingent expenses:

July, 1903.....	
August, 1903.....	
September, 1903.....	
October, 1903.....	
November, 1903.....	
December, 1903.....	

Due contractors (not including the 10 per cent to be retained as per contract):

March, 1904.....	
May, 1904.....	
June, 1904.....	

Due contractors for extra work (repairing break in bulkhead)

Total cost to June 30, 1904.....

The above amount may be segregated as follows:

Total preliminary work.....	P240.50
Due contractors:	
Permanent work.....	67.47
Extra work.....	347.97

Engineering and inspection of permanent work.....

Respectfully submitted.

BUREAU OF COAST GUARD AND
DIVISION

CHIEF OF BUREAU OF COAST GUARD AND TRANSPORTATION

SIR: As directed in your letter of September 1, 1904, report of operations of this division for the month of September is supplemental to the annual report for the fiscal year 1904.

The work of the division has progressed as follows: at Bagacay, Capitanillo, and Tanguingui are at San Bernardino, Luzaran, and Bagatao have been leaving these stations in good condition. The preliminary work has been begun and the preliminary estimates have been submitted.

The following is a detailed statement of the work done as to pay rolls, etc.

REPORT OF THE ENGINEER IN CHARGE

ent expenses and permanent improve-

.....	\$12,000
.....	30,000
.....	8,000
.....	2,500
.....	25,000
.....	5,000
.....	18,000
.....	21,000
.....	10,000
.....	5,000
.....	1,000
.....	7,000
.....	10,000
.....	23,000
.....	15,000
.....	20,000
.....	60,000
.....	20,000
.....	15,000
.....	7,000
.....	185,000

closed herewith.

SPENCER COSBY,
Corps of Engineers, U. S. Army, Light-House Engineer.

NAVY DEPARTMENT,
 DIVISION OF LIGHT-HOUSE CONSTRUCTION,
Manila, P. I., September 9, 1904.

Chief Engineer, U. S. Army,
Light-House Engineer, Manila, P. I.

submit the following report, supplemental to the report for
 work accomplished on the marine railway on Engineer Island
 August, 1904:

and practically finished excepting the cutting off of piles

the railway all piles were cut off below the low-water line, and
 p with concrete. This concrete work was commenced and more

foundation piles were driven and the concrete bases for the engine,
 boiler built.
 loading machine were set in position and a temporary shed built over

s were framed and put together, rails laid on the stringers, and
 h iron strips and large-headed nails for protection against teredos,
 are will be launched in September and sunk to its position on the
 de.

of finished work on August 31, 1904, were as follows:

	Per cent.
.....	100
.....	3
.....	98
.....	5
.....	40
.....	45
.....	60

money value of the work finished was estimated at \$53,032.20 United States
 at 50 per cent of the contract price; 10 per cent of this amount is retained
 provisions of the contract.

Financial statement.

Balance, June 30.....	₱26,956.93
Appropriation since June 30.....	15,000.00
Total available.....	41,956.93
Expenditures since June 30:	
Wages.....	₱1,741.77
Subsistence.....	667.45
Materials.....	2,369.90
	<u>4,779.12</u>
Balance.....	37,177.81
Liabilities:	
Wages (estimated).....	1,750.00
Materials (estimated).....	5,701.15
Subsistence (estimated).....	1,000.00
	<u>8,451.15</u>
Balance available.....	28,726.66

BAGATAO.

The work done during July and August consisted in finishing and painting the permanent buildings, removing temporary structures, and cutting timber for use at other stations. The station was completed and the party brought to Manila.

Financial statement.

Expenditures to June 30.....	₱19,896.40
Amount estimated, June 30, to finish.....	3,000.00
Expenditures since June 30:	
Wages.....	₱2,566.88
Subsistence.....	212.54
Material.....	206.65
	<u>2,986.07</u>
Balance.....	13.93
Liabilities:	
Subsistence on tender, etc.....	13.93
	<u>13.93</u>
Total cost, construction of station.....	22,896.40
Apparatus.....	5,293.90
Total.....	28,190.30

SAN BERNARDINO.

This station was completed and the party transferred to Siete Pecados during the latter part of July. The work done during July consisted in completing the roofing and iron work of the veranda, erecting a flag and signal staff, painting, glazing, etc., and removing a large amount of materials to other stations and to Manila.

Financial statement.

Total estimate.....	₱11,926.22
Expenditures to June 30.....	10,614.32
Estimated, June 30, to finish.....	1,311.90
Expenditures since June 30:	
Wages.....	₱983.40
Subsistence.....	62.80
	<u>1,046.20</u>
Surplus.....	265.70

APO REEF.

The construction party left for this station on July 6. Some little difficulty was experienced at first in maintaining a sufficient supply of water, but the government sloop *Jercey*

has been assigned to this station and no further difficulty is expected. The work done has been the erection of temporary quarters, the road from dwelling site to tower partially completed, excavation for tower foundation begun, etc. A temporary light has been established at this point, and captains of vessels sailing south from Manila report that the ultimate utility of the light will be considerable, owing to the saving of time made possible.

Financial statement.

Balance, June 30.....	P 39,467. 54
Appropriation.....	23,000. 00
	<hr/> 62,467. 54
Expenditures since June 30:	
Wages.....	P 1,732. 93
Material.....	2,192. 14
Subsistence.....	634. 68
	<hr/> 4,559. 75
Balance.....	57,907. 79
Liabilities:	
Apparatus (estimated).....	10,500. 00
Wages, August (estimated).....	1,800. 00
Material.....	3,209. 91
	<hr/> 15,509. 91
Balance available.....	42,397. 88

GRANDE ISLAND (SUBIG BAY).

Some timbers have been cut for the structures to be erected at this station and the plans have been completed.

Financial statement.

Amount appropriated in estimate.....	P 18,000. 00
Expenditures:	
Wages.....	117. 40
Balance available.....	<hr/> 17,882. 60

LUZARAN.

The retaining wall and repairs at this station were completed July 20 and the party and materials transferred to Apo Reef.

Financial statement.

Expenditures to June 30.....	P 9,419. 17
Expenditures since June 30:	
Subsistence.....	P 1,664. 87
Wages.....	558. 40
Materials.....	779. 02
	<hr/> 3,002. 29
Total.....	12,421. 46

SIETE PECADOS.

On July 29 a typhoon wrecked the roof and part of the walls of this station, destroyed the veranda, broke the lantern by blowing the veranda roof against it, and did considerable other damage. Two days later a repair party was landed and the light reestablished on August 2. The repairs at the station were entirely completed on August 28.

Financial statement.

Wages.....	P 824. 05
Materials.....	158. 49
Subsistence.....	245. 00
Total.....	<hr/> 1,227. 54

Financial statement.

Balance, June 30.....	₱26,956.93
Appropriation since June 30.....	15,000.00
Total available.....	41,956.93
Expenditures since June 30:	
Wages.....	₱1,741.77
Subsistence.....	667.45
Materials.....	2,369.90
	<u>4,779.12</u>
Balance.....	37,177.81
Liabilities:	
Wages (estimated).....	1,750.00
Materials (estimated).....	5,701.15
Subsistence (estimated).....	1,000.00
	<u>8,451.15</u>
Balance available.....	28,726.66

BAGATAO.

The work done during July and August consisted in finishing and painting the permanent buildings, removing temporary structures, and cutting timber for use at other stations. The station was completed and the party brought to Manila.

Financial statement.

Expenditures to June 30.....	₱19,896.40
Amount estimated, June 30, to finish.....	3,000.00
Expenditures since June 30:	
Wages.....	₱2,566.88
Subsistence.....	212.54
Material.....	206.65
	<u>2,986.07</u>
Balance.....	13.93
Liabilities:	
Subsistence on tender, etc.....	13.93
	<u>13.93</u>
Total cost, construction of station.....	22,896.40
Apparatus.....	5,293.90
Total.....	28,190.30

SAN BERNARDINO.

This station was completed and the party transferred to Siete Pecados during the latter part of July. The work done during July consisted in completing the roofing and iron work of the veranda, erecting a flag and signal staff, painting, glazing, etc., and removing a large amount of materials to other stations and to Manila.

Financial statement.

Total estimate.....	₱11,926.22
Expenditures to June 30.....	10,614.32
Estimated, June 30, to finish.....	1,311.90
Expenditures since June 30:	
Wages.....	₱983.40
Subsistence.....	62.80
	<u>1,046.20</u>
Surplus.....	265.70

APO REEF.

The construction party left for this station on July 6. Some little difficulty was experienced at first in maintaining a sufficient supply of water, but the government sloop *Screey*

has been assigned to this station and no further difficulty is expected. The work done has been the erection of temporary quarters, the road from dwelling site to tower partially completed, excavation for tower foundation begun, etc. A temporary light has been established at this point, and captains of vessels sailing south from Manila report that the ultimate utility of the light will be considerable, owing to the saving of time made possible.

Financial statement.

Balance, June 30.....		₱ 39,467.54
Appropriation.....		23,000.00
		<hr/> 62,467.54
Expenditures since June 30:		
Wages.....	₱ 1,732.93	
Material.....	2,192.14	
Subsistence.....	634.68	
		<hr/> 4,559.75
Balance.....		57,907.79
Liabilities:		
Apparatus (estimated).....	10,500.00	
Wages, August (estimated).....	1,800.00	
Material.....	3,209.91	
		<hr/> 15,509.91
Balance available.....		42,397.88

GRANDE ISLAND (SUBIG BAY).

Some timbers have been cut for the structures to be erected at this station and the plans have been completed.

Financial statement.

Amount appropriated in estimate.....	₱ 18,000.00
Expenditures:	
Wages.....	117.40
Balance available.....	<hr/> 17,882.60

LUZARAN.

The retaining wall and repairs at this station were completed July 20 and the party and materials transferred to Apo Reef.

Financial statement.

Expenditures to June 30.....	₱ 9,419.17
Expenditures since June 30:	
Subsistence.....	₱ 1,664.87
Wages.....	558.40
Materials.....	779.02
	<hr/> 3,002.29
Total.....	12,421.46

SIETE PECADOS.

On July 29 a typhoon wrecked the roof and part of the walls of this station, destroyed the veranda, broke the lantern by blowing the veranda roof against it, and did considerable other damage. Two days later a repair party was landed and the light reestablished on August 2. The repairs at the station were entirely completed on August 28.

Financial statement.

Wages.....	₱ 824.05
Materials.....	158.49
Subsistence.....	245.00
Total.....	<hr/> 1,227.54

SAN NICOLAS SHOAL.

A sixth-order flashing white light has been installed in the iron tower, which was erected by the Spanish Government on the northern extremity of San Nicolas Shoal, in Manila Bay. Owing to the impossibility of landing at this tower in bad weather, a lamp which will burn for one month without attention, and an apparatus revolved by means of an electric battery was installed, instead of the ordinary apparatus and lamp.

Financial statement.

Installation:	
Materials.....	P 32. 80
Wages.....	56. 50
Subsistence.....	32. 00
Total	<u>121. 30</u>
Apparatus.....	<u>4, 590. 14</u>

BATANGAS.

The two red-lens lanterns at this station were discontinued in July and a tripod 31 feet high was erected from which is displayed a red port light.

Financial statement.

Expenditures:	
Wages.....	P 21. 00
(The tower erected was found in the warehouse, having been made by some one previously in charge.)	

FRAMED TOWERS.

A party began work in August on five framed towers 33 feet in height, which will be erected at points where port lights are needed to replace old structures.

Financial statement.

Expenditures:	
Wages.....	P 280. 50
Materials.....	67. 47
Total	<u>347. 97</u>

IMPROVEMENT OF EXISTING LIGHTS.

The apparatus for Subig Bay and San Nicolas have been delivered and the latter has been installed.

Financial statement.

Balance June 30.....	P 13, 582. 84
Expenditures:	
Apparatus, San Nicolas Shoal.....	<u>4, 590. 14</u>
Balance.....	8, 992. 70
Liabilities:	
Apparatus, Subig Bay.....	P 5, 114. 12
Apparatus, San Fernando.....	<u>3, 878. 58</u>
	8, 992. 70

ENGINEER ISLAND.

Appropriations were made for the general improvement of Engineer Island, the boring of an artesian well, and the completion of the light-house warehouse and wharf. Work has been begun on each of these items. Filling has been commenced, the wharf has been completed, a concrete floor to the warehouse begun, and the well driven about 110 feet.

APPROPRIATIONS.

The following appropriations were made for current expenses and permanent improvements:

For maintenance of warehouse.....	₱12,000
For repairs to light stations.....	30,000
For improvement of existing lights.....	8,000
For completion of new storehouse.....	2,500
For completion, Tanguingui.....	25,000
For completion, Bagatao.....	5,000
For completion, Subig Bay.....	18,000
For construction, San Fernando.....	21,000
For 12 port lights.....	10,000
For completion, San Bernardino.....	5,000
For San Nicolas Shoal.....	1,000
For surveys.....	7,000
For completion, Capitanillo.....	10,000
For completion, Bajo Apo.....	23,000
For completion, Bagacay.....	15,000
For completion, Maniguin.....	20,000
For new light, Bolinao.....	60,000
For new light, Manila Breakwater.....	20,000
For improvement, Engineer Island.....	15,000
For artesian well.....	7,000
For marine railway.....	185,000

The report on marine railway is inclosed herewith.

Very respectfully,

SPENCER COSBY,
Captain, Corps of Engineers, U. S. Army, Light-House Engineer.

BUREAU OF COAST GUARD AND TRANSPORTATION,
DIVISION OF LIGHT-HOUSE CONSTRUCTION,
Manila, P. I., September 9, 1904.

Capt. SPENCER COSBY, Corps of Engineers, U. S. Army,
Light-House Engineer, Manila, P. I.

SIR: I have the honor to submit the following report, supplemental to the report for the fiscal year 1904, of the work accomplished on the marine railway on Engineer Island for the months of July and August, 1904:

1. Pile driving was continued and practically finished excepting the cutting off of piles to grade at the lower end.
2. At the upper end of the railway all piles were cut off below the low-water line, and foundation is to be built up with concrete. This concrete work was commenced and more than half finished.
3. The power-house foundation piles were driven and the concrete bases for the engine, winding machine, and boiler built.
4. The engine and winding machine were set in position and a temporary shed built over them for protection.
5. The track timbers were framed and put together, rails laid on the stringers, and stringers protected with iron strips and large-headed nails for protection against teredos, and the entire structure will be launched in September and sunk to its position on the piles as soon as may be.
6. The percentages of finished work on August 31, 1904, were as follows:

	Per cent.
Dredging.....	100
Filling to grade.....	3
Piling, cut off.....	98
Lumber in place.....	5
Hauling out machinery.....	40
Power house.....	45
Concrete work.....	60

7. The total money value of the work finished was estimated at \$53,032.20 United States currency, or about 50 per cent of the contract price; 10 per cent of this amount is retained according to the provisions of the contract.

8. The cost of the work to August 31, 1904, has been as follows, stated in Philippine currency:

Total cost to June 30, 1904.....	₱ 44,923.74	
Wages:		
July, 1904.....	₱ 464.40	
August.....	624.23	
		1,088.63
Due contractors (not including the 10 per cent to be retained as per contract):		
July, 1904 (paid).....	36,741.82	
August (unpaid).....	28,137.96	
		64,879.78
Total cost to August 31, 1904.....		110,892.15

Very respectfully,

WM. H. ROBINSON,
Assistant Engineer.

BUREAU OF COAST GUARD AND TRANSPORTATION,
DIVISION OF LIGHT-HOUSE CONSTRUCTION,
Manila, P. I., August 20, 1904.

CHIEF BUREAU OF COAST GUARD AND TRANSPORTATION,
Manila, P. I.

SIR: I have the honor to submit the following report of operations of the division of light-house construction for the fiscal year ending June 30, 1904:

Capt. Henry Jervey, Corps of Engineers, U. S. Army, was in charge of this division until August 12, 1903, when I relieved him and continued on duty as light-house engineer for the remainder of the fiscal year.

CONDITIONS AT BEGINNING OF YEAR.

The organization of this office was but partially completed. The clerical force was inadequate; the system of property accountability left much to be desired; there was no engineering force and no regular system of inspecting work in progress.

Detached parties were at work at four outlying points, viz, Bugui, Jintotolo, Capul, and San Bernardino, where they were engaged in completing third-order light stations begun under the Spanish régime. Apparatus for these stations, for two sixth-order lights and for two port lights had been ordered from Paris.

Sixty-one lights were in operation, including 15 flashing lights, 5 fixed lights, and 41 minor lights (lens lanterns, post lanterns, and electric arc lights).

WORK ACCOMPLISHED DURING THE YEAR.

The organization of the office has been completed, so that it now has a force competent properly to design and carry on the amount of new work for which funds and transportation facilities have been provided, and to keep in fairly good order the lights now in operation. An officer of the Corps of Engineers of the Army has been detailed as assistant to the light-house engineer, an experienced civil engineer has been placed in direct charge of the more important works of construction, frequent inspections are made of all work in progress, the clerical force has been increased and, under an able chief clerk, is doing excellent work; a skilled machinist has been brought from the United States to install and care for the delicate light-house apparatus, and the system of records, reports, and property accountability has been improved and extended, greatly adding to the efficiency of the work.

It has been found impossible in many cases to secure overseers and mechanics of the kind desired to make up our working parties. This difficulty is being remedied whenever possible by a gradual process of elimination and selection.

A survey party is greatly needed to complete our working force, and will be organized as soon as funds are provided.

The work at Bugui, Jintotolo, and Capul has been completed, and these stations are in full running order. As it is impossible to make a landing on the island of San Bernardino during the prevalence of the winter monsoon, it was necessary to take away the working party on September 10, 1903, before they had completed all the necessary repairs. This important light has, however, been kept in continuous operation, and a new working party, landed at the island on June 19, 1904, is expected to complete the station in a few weeks.

Extensive repairs, requiring in each case several months to complete, have been made at Calabazas and Gigantes light stations, and minor repairs at a number of other stations.

In addition to the repair party now at work at San Bernardino there is also a working party at Luzaran (at the southern extremity of Guimaras Island) engaged in building a heavy concrete retaining wall around the brow of the hill on which the light-house tower and dwelling are situated. This wall is designed to prevent the threatened sliding of the structures into the sea.

Besides the two repair parties, field parties of from 30 to 100 men each are at present at work building new stations for flashing lights at Bagacay and Capitancillo, on the east coast of Cebu, at Tanguingui Island south of Masbate, and at Bagatao Island at the entrance to Sorsogon Bay. An additional party has been organized and will be sent early in July to begin the construction of a third-order light station on Apo Island off the west coast of Mindoro.

The fixed light at Siete Pecados has been replaced by an incandescent flashing light, the first to be established in these islands in which the new and powerful system of incandescent burners with petroleum vapor is used instead of the ordinary wick lamp. The experiment is being watched carefully to determine whether it is practicable to extend this system to other lights.

Three-lens lantern lights and three beacons marking shoals have been erected in the harbor of Romblon. A number of the minor lights have been replaced by others more powerful and visible at a greater distance. New lights have been installed where they were most urgently needed, including seven along the coasts of Mindanao, where formerly there were only two.

Detailed reports, with statement of cost, of the operations referred to above are given later under the heads of "New work" and "Repair work."

NEW LIGHT-HOUSES.

The total number of lights in operation was increased from 61 at the beginning of the fiscal year to 76 at its close, including 19 flashing lights, 3 fixed lights, and 54 minor lights. One minor light was discontinued.

The following new lights were put in operation during the fiscal year:

Capul Island, San Bernardino Straits, third order, flashing white light. November 1, 1903.

Jintotolo Island, south of Masbate, third order, flashing white and red light. December 18, 1903.

Tanguingui Island, lens lantern, fixed white light. December 31, 1903.

Los Baños, Laguna de Bay, 3 lanterns on tripod, white and red fixed lights. December 29, 1903.

Cottabato, Mindanao, lens lantern, fixed red light. March, 1904.

Tagolo Point, Mindanao, lens lantern, fixed white light. March, 1904.

Surigao, Mindanao, lens lantern, fixed red light. March, 1904.

Sabang Point, Romblon, lens lantern, fixed white light. April 9, 1904.

Romblon Harbor Range, lens lantern, fixed red light at front and rear points. April 9, 1904.

Camp Overton, Mindanao, lens lantern, fixed red light. March 21, 1904.

Ormoc, Leyte, lens lantern, fixed red light. April 2, 1904.

Bagatao Island, entrance to Sorsogon Bay, sixth order, flashing white light. May 15, 1904.

Port Bongao, Tawi-Tawi, lens lantern, fixed white light. About March 10, 1904.

Tai-Tay, lens lantern, fixed white light. April, 1904.

Davao, Santa Cruz and Malalog, on Gulf of Davao, lens lanterns, fixed red lights, has presumably been established at each of these points.

CHANGES IN LIGHTS.

The following are the more important changes in existing lights made during the fiscal year:

Bugui.—The time of revolution of the flashing light was reduced from 30 to 10 seconds in October, 1903.

Manila breakwater.—The red light was discontinued on November 1, 1903. Its place is taken by temporary lights maintained by the contractors who are building the breakwater.

San Fernando Range.—A single red lens lantern of improved pattern was put in place of the two lights at each range point in February, 1904.

Siete Pecados.—The fixed light was replaced by a flashing white light on April 10, 1904.

Legaspi.—A fixed red light was placed below the white light on April 5, 1904.

Pitogo.—The globe lantern on a bamboo pole was replaced by a red lens lantern on cupola of church on April 20, 1904.

Calapan.—A red lens lantern replaced the red and white lights on April 21, 1904.

NEW WORK.

The following is a description of the work accomplished under the various appropriations made for the construction of new light stations and the completion of those already under way:

The Spanish Government plans included, among many others, the erection of towers for flashing lights at the following localities: Capitancillo Island, east of the north end of Cebu Island; Tanguingui Island, south of Masbate Island; Apo Reef, off the west coast of Mindoro; Point Bagacay, on the east coast of Cebu Island; Maniguin Island, west of Panay Island; Cape Bolinao, on the west coast of Luzon.

It was proposed to erect steel towers at the first three mentioned stations, and in 1896 the towers were purchased complete in France by the Spanish authorities and delivered in Manila. The tower for Tanguingui was taken by them to that island and left exposed to the elements and unguarded during the insurrections, resulting in the loss and destruction of many of the smaller parts. The other two towers were left in Manila and were found in excellent condition when taken possession of by the Americans.

At the beginning of the fiscal year 1904 no work had been attempted at any of the above stations by this office. The Spanish Government had commenced work at Capitancillo and Tanguingui islands, but had accomplished little and abandoned them when the insurrection broke out.

During the past year work in connection with the various stations has been as follows:

CAPITANCILLO.

A party consisting of 4 Americans and 48 natives was organized in September, 1903, and sent to this station, leaving Manila September 27.

The Spanish Government had commenced the construction of a retaining wall around the site for the tower and buildings, had made some excavations, and had transported a quantity of building rock and sand from the mainland.

Work was commenced in October by this division, the construction of the retaining wall being first taken up. The Spanish plans have been generally followed, with modifications. Owing to the small size of the island and the scarcity of building materials, it was necessary to transport all the required sand and rock as well as fresh water, from the mainland of Cebu. Quarries were opened near the town of Tabogan, about 7 miles from Capitancillo.

Bad weather and poor transportation facilities have delayed the work. A scow with a carrying capacity of about 10 tons was built at the station for transporting rock and was used successfully during calm weather, but could not be used much of the time.

In March, 1904, the light-house tender *Picket* was sent to the station for duty, and most of the necessary material was transported by her in a short time.

The party has been gradually increased until in June, 1904, it consisted of 3 Americans and over 80 natives, a number of the latter being obtained locally.

During the fiscal year the work accomplished, in addition to the building of temporary quarters, storehouses, etc., has been as follows:

1. The retaining wall was finished on three sides, excepting the coping blocks, an opening being left in the north wall to allow of the easy handling of heavy material.
2. Excavations were made for the foundations of the tower, keepers' dwelling, annex, and cistern.
3. Foundation of keepers' dwelling was finished and the masonry walls carried up about two-thirds of the required height.
4. Foundation of the tower was finished and one section of the steel work erected.

The work at this station is now well under way and is being pushed as rapidly as possible. The station will probably be complete about the end of October, 1904.

Money statement.

Appropriations:

Act 831.....	₱ 50,000. 00
Act 1114.....	20,000. 00
	<hr/>
	70,000. 00

Expenditures to June 30, 1904:

Materials.....	₱ 27,292. 12
Subsistence.....	6,787. 33
Wages.....	2,277. 32
Apparatus.....	3,324. 40
	<hr/>
	55,718. 00
 Balance.....	 14,282. 00

In addition to the repair party now at work at San Bernardino there is also a working party at Luzaran (at the southern extremity of Guimaras Island) engaged in building a heavy concrete retaining wall around the brow of the hill on which the light-house tower and dwelling are situated. This wall is designed to prevent the threatened sliding of the structures into the sea.

Besides the two repair parties, field parties of from 30 to 100 men each are at present at work building new stations for flashing lights at Bagacay and Capitancillo, on the east coast of Cebu, at Tanguingui Island south of Masbate, and at Bagatao Island at the entrance to Sorsogon Bay. An additional party has been organized and will be sent early in July to begin the construction of a third-order light station on Apo Island off the west coast of Mindoro.

The fixed light at Siete Pecados has been replaced by an incandescent flashing light, the first to be established in these islands in which the new and powerful system of incandescent burners with petroleum vapor is used instead of the ordinary wick lamp. The experiment is being watched carefully to determine whether it is practicable to extend this system to other lights.

Three-lens lantern lights and three beacons marking shoals have been erected in the harbor of Romblon. A number of the minor lights have been replaced by others more powerful and visible at a greater distance. New lights have been installed where they were most urgently needed, including seven along the coasts of Mindanao, where formerly there were only two.

Detailed reports, with statement of cost, of the operations referred to above are given later under the heads of "New work" and "Repair work."

NEW LIGHT-HOUSES.

The total number of lights in operation was increased from 61 at the beginning of the fiscal year to 76 at its close, including 19 flashing lights, 3 fixed lights, and 54 minor lights. One minor light was discontinued.

The following new lights were put in operation during the fiscal year:

Capul Island, San Bernardino Straits, third order, flashing white light. November 1, 1903.

Jintotolo Island, south of Masbate, third order, flashing white and red light. December 18, 1903.

Tanguingui Island, lens lantern, fixed white light. December 31, 1903.

Los Baños, Laguna de Bay, 3 lanterns on tripod, white and red fixed lights. December 29, 1903.

Cottabato, Mindanao, lens lantern, fixed red light. March, 1904.

Tagolo Point, Mindanao, lens lantern, fixed white light. March, 1904.

Surigao, Mindanao, lens lantern, fixed red light. March, 1904.

Sabang Point, Romblon, lens lantern, fixed white light. April 9, 1904.

Romblon Harbor Range, lens lantern, fixed red light at front and rear points. April 9, 1904.

Camp Overton, Mindanao, lens lantern, fixed red light. March 21, 1904.

Ormoc, Leyte, lens lantern, fixed red light. April 2, 1904.

Bagatao Island, entrance to Sorsogon Bay, sixth order, flashing white light. May 15, 1904.

Port Bongao, Tawi-Tawi, lens lantern, fixed white light. About March 10, 1904.

Tai-Tay, lens lantern, fixed white light. April, 1904.

Davao, Santa Cruz and Malalag, on Gulf of Davao, lens lanterns, fixed red lights, has presumably been established at each of these points.

CHANGES IN LIGHTS.

The following are the more important changes in existing lights made during the fiscal year:

Bugui.—The time of revolution of the flashing light was reduced from 30 to 10 seconds in October, 1903.

Manila breakwater.—The red light was discontinued on November 1, 1903. Its place is taken by temporary lights maintained by the contractors who are building the breakwater.

San Fernando Range.—A single red lens lantern of improved pattern was put in place of the two lights at each range point in February, 1904.

Siete Pecados.—The fixed light was replaced by a flashing white light on April 10, 1904.

Legaspi.—A fixed red light was placed below the white light on April 5, 1904.

Pitogo.—The globe lantern on a bamboo pole was replaced by a red lens lantern on cupola of church on April 20, 1904.

Calapan.—A red lens lantern replaced the red and white lights on April 21, 1904.

NEW WORK.

The following is a description of the work accomplished under the various appropriations made for the construction of new light stations and the completion of those already under way:

The Spanish Government plans included, among many others, the erection of towers for flashing lights at the following localities: Capitancillo Island, east of the north end of Cebu Island; Tanguingui Island, south of Masbate Island; Apo Reef, off the west coast of Mindoro; Point Bagacay, on the east coast of Cebu Island; Maniguin Island, west of Panay Island; Cape Bolinao, on the west coast of Luzon.

It was proposed to erect steel towers at the first three mentioned stations, and in 1896 the towers were purchased complete in France by the Spanish authorities and delivered in Manila. The tower for Tanguingui was taken by them to that island and left exposed to the elements and ungarded during the insurrections, resulting in the loss and destruction of many of the smaller parts. The other two towers were left in Manila and were found in excellent condition when taken possession of by the Americans.

At the beginning of the fiscal year 1904 no work had been attempted at any of the above stations by this office. The Spanish Government had commenced work at Capitancillo and Tanguingui islands, but had accomplished little and abandoned them when the insurrection broke out.

During the past year work in connection with the various stations has been as follows:

CAPITANCILLO.

A party consisting of 4 Americans and 48 natives was organized in September, 1903, and sent to this station, leaving Manila September 27.

The Spanish Government had commenced the construction of a retaining wall around the site for the tower and buildings, had made some excavations, and had transported a quantity of building rock and sand from the mainland.

Work was commenced in October by this division, the construction of the retaining wall being first taken up. The Spanish plans have been generally followed, with modifications. Owing to the small size of the island and the scarcity of building materials, it was necessary to transport all the required sand and rock as well as fresh water, from the mainland of Cebu. Quarries were opened near the town of Tabogan, about 7 miles from Capitancillo.

Bad weather and poor transportation facilities have delayed the work. A scow with a carrying capacity of about 10 tons was built at the station for transporting rock and was used successfully during calm weather, but could not be used much of the time.

In March, 1904, the light-house tender *Picket* was sent to the station for duty, and most of the necessary material was transported by her in a short time.

The party has been gradually increased until in June, 1904, it consisted of 3 Americans and over 80 natives, a number of the latter being obtained locally.

During the fiscal year the work accomplished, in addition to the building of temporary quarters, storehouses, etc., has been as follows:

1. The retaining wall was finished on three sides, excepting the coping blocks, an opening being left in the north wall to allow of the easy handling of heavy material.
2. Excavations were made for the foundations of the tower, keepers' dwelling, annex, and cistern.
3. Foundation of keepers' dwelling was finished and the masonry walls carried up about two-thirds of the required height.
4. Foundation of the tower was finished and one section of the steel work erected.

The work at this station is now well under way and is being pushed as rapidly as possible. The station will probably be complete about the end of October, 1904.

Money statement.

Appropriations:

Act 831.....	P 50,000.00
Act 1114.....	20,000.00
	<hr/>
	70,000.00

Expenditures to June 30, 1904:

Materials.....	P 27,292.12
Subsistence.....	6,787.33
Wages.....	2,277.32
Apparatus.....	3,324.40
	<hr/>
	55,718.00
Balance.....	<hr/>
	14,282.00

Liabilities:

Subsistence.....	₱816. 00	
Insular Purchasing Agent, materials.....	654. 54	
Outstanding wages, etc.....	51. 12	
		₱1, 521. 66
Balance available.....		12, 760. 34
Amount in estimate required to finish.....		10, 000. 00
Estimated expenditure required to complete work.....		22, 760. 34

TANGUNGUI.

A party consisting of 2 Americans and 55 natives was organized in December, 1903, and sent to this station, leaving Manila on December 10.

The Spanish Government had delivered the steel tower on the island, constructed a cistern of about 15,000 gallons capacity, and made some of the excavations for tower and building foundations.

An examination disclosed the fact that the steel parts of the tower were badly rust eaten, some parts being so far gone as to be useless. A number of other parts, principally small ones, were missing. After the building of temporary quarters, the entire working force were employed in cleaning, sorting, and painting the various parts of the tower. A list of the missing and worthless parts was obtained and they will be replaced in the immediate future.

The Spanish plans, somewhat modified, have been followed at this station.

Some difficulty was experienced in obtaining a supply of fresh water. Water was delivered at the island by the light-house tenders and the station was equipped with a sailing prao of about 7 tons carrying capacity to act as a water boat; it has served the purpose very successfully, bringing water in sufficient quantity from a point about 10 miles distant.

A temporary wharf was built to facilitate the landing of cargo, but during the heavy weather of the past two months was carried away. Fortunately, however, all the heavy material needed has been delivered.

The party has been increased by 1 American and 28 natives, the latter employed locally making the total strength of the party in June, 1904, 3 Americans and 83 natives.

During the fiscal year the work accomplished, in addition to the building of temporary quarters, storehouses, wharf, etc., has been as follows:

1. Cleaning and painting the parts of the steel tower.
2. Excavating for foundations of tower, keepers' dwelling, and annex.
3. Foundations for tower and keepers' dwelling completed.
4. Concrete walls of keepers' dwelling carried to about one-half the required height.
5. Two sections of steel tower erected.
6. Grounds around station graded.

A temporary lens lantern displaying a fixed white light was established December 31, 1903.

The work at this station is progressing rapidly and will be finished about the end of October, 1904.

Money statement.

[Built from appropriation for the completion of minor stations and construction of new.]

Expenditures to June 30, 1904.

Wages.....	₱15, 075. 14	
Subsistence.....	4, 723. 62	
Materials.....	16, 863. 27	
		₱36, 662. 03
Liabilities:		
Subsistence.....	825. 00	
Apparatus.....	338. 00	
Insular Purchasing Agent, materials.....	1, 100. 00	
		2, 263. 00
Total expenditures and liabilities.....		38, 925. 03
Estimated amount required to finish.....		20, 492. 23
Total.....		59, 417. 26

POINT BAGACAY.

A party consisting of 1 American and 26 natives was organized in September, 1903, and sent to this station, leaving Manila October 4.

The location selected at this place for the erection of the tower for the flashing light, which is to replace the present lantern, was some distance from the landing place and it required considerable preliminary work before any actual permanent work could be commenced.

The landing is bad and it became necessary to build a long rock pier to obtain water enough to float a ship's boat. Temporary quarters and storehouses were built, the pier constructed, a light railroad track, requiring much grading, was laid from the landing to the tower site, a well sunk and temporary cistern built. Work on the permanent structures was not commenced until February, 1904, when excavation for the tower foundation and transportation of building material to the site was begun.

Owing to trouble in securing local labor the work did not advance as rapidly as was hoped for but at the present time conditions are improving and the work is progressing fairly well.

The plans of the Spanish Government for this point have been radically changed. The tower is practically the same, being of masonry construction, but instead of the masonry buildings, frame structures on masonry foundations have been substituted. This has been done with a view of comparing the original cost, and cost of maintenance of the two classes of buildings. Complete plans of the various structures have been made.

The party has been increased, until in June the working force consisted of 1 American and 64 natives.

The permanent work that has been finished during the fiscal year has been as follows:

1. The masonry tower completed for about one-half its height.
2. The masonry piers for the foundation of the keepers' dwelling completed.

It is thought that this station should be in operation about January 1, 1905.

Money statement.

Amount appropriated:		
Act 831.....		P 30,000.00
Act 1114.....		30,000.00
		60,000.00
Amount expended:		
Materials.....	P 14,733.03	
Wages.....	13,768.29	
Subsistence.....	4,541.75	
		33,043.07
Balance.....		26,956.93
Liabilities:		
Subsistence.....	508.00	
Insular purchasing agent.....	1,936.81	
Apparatus.....	16,731.00	
Unpaid rolls, etc.....	404.85	
		19,510.66
Balance available.....		7,446.27
Amount in estimate to finish.....		15,000.00
		22,446.27
Estimated expenditure to complete work.....		22,446.27

BAGATAO ISLAND.

A working party, in charge of an American overseer, was sent to construct a light station here, in January, 1901, and will complete the work by the middle of August.

The party has consisted of 2 Americans, from 6 to 10 Chino carpenters, and about 30 Filipino workmen hired in Manila on account of the difficulty of securing local laborers.

The preliminary work consisted of the construction of temporary quarters and storehouses, the building of a landing pier of cribwork and masonry, the clearing and grading of a service road from the pier to the tower site, the clearing and grading of the site for the permanent structures, and the digging of wells in an attempt to obtain fresh water on the island.

The permanent work has consisted of the erection of an iron tower, a frame dwelling for the keepers, a frame kitchen, a concrete storehouse and oil room, a cistern of concrete reinforced with steel, a frame latrine, a tripod for a port light, and the cutting of considerable hardwood lumber for use here and at other stations.

The tower, an iron cylinder 29 feet high, is anchored to its concrete base on the summit rock by anchor bolts 1 meter long; this tower was bought during Spanish times but several minor pieces had been lost requiring new ones to be made.

The frame dwelling (38 feet 2 inches by 37 feet 6 inches), is supported on Molave posts set in concrete pillars.

The sixth-order flashing white light, first lighted on May 15, is equipped both with an incandescent and with an ordinary burner.

A red fixed port light is displayed on a tripod to the east of the flashing light.

The timber cut on the reservation has cost much less than the same quality of wood costs in Manila.

Money statement.

[Built from appropriation for completion of minor stations and construction of new, Acts 831 and 1114.]

Expenditures to June 30, 1904:

Wages.....	P 10,342.24
Subsistence.....	2,264.36
Materials.....	7,289.80
	<hr/>
	19,896.40
Estimated amount required to finish.....	3,000.00
	<hr/>
Total.....	22,896.40

ROMBLON HARBOR.

Arrangements were made with the governor of Romblon to have the province supply the necessary boats and lighters and pay the laborers needed for the erection of lights and construction of beacons in Romblon harbor. With this understanding an American overseer and assistant were sent to that place in February to take charge of the work, and the necessary materials were also supplied by this division. The province provided about 20 laborers per day until May 1, after which it was necessary for this division to hire laborers until the completion of the work about May 15. The amount of work was greater than was at first contemplated and the provincial authorities did not deem themselves justified in spending more money after May 1.

The following work was accomplished:

Sabang Point.—A port light was established on this point on a concrete tower erected during the Spanish occupation. This light marks the entrance to the harbor.

A nipa dwelling of four rooms for the keeper was built. Small hardwood trees were cut on Bagatao Island for the posts of this dwelling and were set in concrete in the ground, to prevent their being attacked by either rot or white ants. A small storehouse for oil and paints was erected near the tower.

The ground surrounding the station was cleared and fenced.

Sabang Reef.—On the extremity of this reef was erected a structure of heavy iron pipes 24 feet high. The reef is rough and rocky and covered by about 5 feet of water at low tide. The iron structure was fitted together on a lighter and then towed to the reef and sunk in place. Concrete in sacks was used to level the structure and to anchor the legs. Loose stone was piled around the beacon up to low-water level. Two wooden targets visible several miles were fastened to the upper part of the beacon. The structure was treated with hot coal tar to preserve it from the action of salt water.

Agbatan Reef.—A beacon similar to the one described above was erected on this reef under practically the same conditions.

Binagon Reef.—A concrete beacon supporting an upper part of wood was erected on this reef.

The depth of the water at the site is only 3 or 4 feet and little difficulty was experienced in depositing the concrete, using a box as a cofferdam.

Range lights.—The front range structure is similar to the beacon constructed on Binagon Reef. The rear range is a post erected on shore. On each of these is displayed a red lens lantern.

Money statement.

[Built from appropriation for completion of minor stations and construction of new.]

Expenditures:

Wages.....	P 1,219.80
Subsistence.....	444.00
Material.....	1,380.52
	<hr/>
Total.....	3,044.32

The frame dwelling (38 feet 2 inches by 37 feet 6 inches), is supported on Molave posts set in concrete pillars.

The sixth-order flashing white light, first lighted on May 15, is equipped both with an incandescent and with an ordinary burner.

A red fixed port light is displayed on a tripod to the east of the flashing light.

The timber cut on the reservation has cost much less than the same quality of wood costs in Manila.

Money statement.

[Built from appropriation for completion of minor stations and construction of new, Acts 831 and 1114.]

Expenditures to June 30, 1904:

Wages.....	P 10,342.24
Subsistence.....	2,264.36
Materials.....	7,289.80

19,896.40

Estimated amount required to finish..... 3,000.00

Total..... 22,896.40

ROMBLON HARBOR.

Arrangements were made with the governor of Romblon to have the province supply the necessary boats and lighters and pay the laborers needed for the erection of lights and construction of beacons in Romblon harbor. With this understanding an American overseer and assistant were sent to that place in February to take charge of the work, and the necessary materials were also supplied by this division. The province provided about 20 laborers per day until May 1, after which it was necessary for this division to hire laborers until the completion of the work about May 15. The amount of work was greater than was at first contemplated and the provincial authorities did not deem themselves justified in spending more money after May 1.

The following work was accomplished:

Sabang Point.—A port light was established on this point on a concrete tower erected during the Spanish occupation. This light marks the entrance to the harbor.

A nipa dwelling of four rooms for the keeper was built. Small hardwood trees were cut on Bagatao Island for the posts of this dwelling and were set in concrete in the ground, to prevent their being attacked by either rot or white ants. A small storehouse for oil and paints was erected near the tower.

The ground surrounding the station was cleared and fenced.

Sabang Reef.—On the extremity of this reef was erected a structure of heavy iron pipes 24 feet high. The reef is rough and rocky and covered by about 5 feet of water at low tide. The iron structure was fitted together on a lighter and then towed to the reef and sunk in place. Concrete in sacks was used to level the structure and to anchor the legs. Loose stone was piled around the beacon up to low-water level. Two wooden targets visible several miles were fastened to the upper part of the beacon. The structure was treated with hot coal tar to preserve it from the action of salt water.

Agbatan Reef.—A beacon similar to the one described above was erected on this reef under practically the same conditions.

Binagon Reef.—A concrete beacon supporting an upper part of wood was erected on this reef.

The depth of the water at the site is only 3 or 4 feet and little difficulty was experienced in depositing the concrete, using a box as a cofferdam.

Range lights.—The front range structure is similar to the beacon constructed on Binagon Reef. The rear range is a post erected on shore. On each of these is displayed a red lens lantern.

Money statement.

[Built from appropriation for completion of minor stations and construction of new.]

Expenditures:

Wages.....	P 1,219.80
Subsistence.....	444.00
Material.....	1,380.52

Total..... 3,044.32

The location selected at this place for the erection of the tower for the flashing light, which is to replace the present lantern, was some distance from the landing place and it required considerable preliminary work before any actual permanent work could be commenced.

The landing is bad and it became necessary to build a long rock pier to obtain water enough to float a ship's boat. Temporary quarters and storehouses were built, the pier constructed, a light railroad track, requiring much grading, was laid from the landing to the tower site, a well sunk and temporary cistern built. Work on the permanent structures was not commenced until February, 1904, when excavation for the tower foundation and transportation of building material to the site was begun.

Owing to trouble in securing local labor the work did not advance as rapidly as was hoped for but at the present time conditions are improving and the work is progressing fairly well.

The plans of the Spanish Government for this point have been radically changed. The tower is practically the same, being of masonry construction, but instead of the masonry buildings, frame structures on masonry foundations have been substituted. This has been done with a view of comparing the original cost, and cost of maintenance of the two classes of buildings. Complete plans of the various structures have been made.

The party has been increased, until in June the working force consisted of 1 American and 64 natives.

The permanent work that has been finished during the fiscal year has been as follows:

1. The masonry tower completed for about one-half its height.
 2. The masonry piers for the foundation of the keepers' dwelling completed.
- It is thought that this station should be in operation about January 1, 1905.

Money statement.

Amount appropriated:

Act 831.....	P 30,000. 00
Act 1114.....	30,000. 00
	60,000. 00

Amount expended:

Materials.....	P 14,733. 03
Wages.....	13,768. 29
Subsistence.....	4,541. 75
	33,043. 07
Balance.....	26,956. 93
Liabilities:	
Subsistence.....	408. 00
Insular purchasing agent.....	1,936. 81
Apparatus.....	16,731. 00
Unpaid rolls, etc.....	404. 85
	19,510. 66
Balance available.....	7,446. 27
Amount in estimate to finish.....	15,000. 00
	22,446. 27
Estimated expenditure to complete work.....	22,446. 27

BAGATAO ISLAND.

A working party, in charge of an American overseer, was sent to construct a light station here, in January, 1901, and will complete the work by the middle of August.

The party has consisted of 2 Americans, from 6 to 10 Chino carpenters, and about 30 Filipino workmen hired in Manila on account of the difficulty of securing local laborers.

The preliminary work consisted of the construction of temporary quarters and storehouses, the building of a landing pier of cribwork and masonry, the clearing and grading of a service road from the pier to the tower site, the clearing and grading of the site for the permanent structures, and the digging of wells in an attempt to obtain fresh water on the island.

The permanent work has consisted of the erection of an iron tower, a frame dwelling for the keepers, a frame kitchen, a concrete storehouse and oil room, a cistern of concrete reinforced with steel, a frame latrine, a tripod for a port light, and the cutting of considerable hardwood lumber for use here and at other stations.

The tower, an iron cylinder 29 feet high, is anchored to its concrete base on the summit rock by anchor bolts 1 meter long; this tower was bought during Spanish times but several minor pieces had been lost requiring new ones to be made.

The frame dwelling (38 feet 2 inches by 37 feet 6 inches), is supported on Molave posts set in concrete pillars.

The sixth-order flashing white light, first lighted on May 15, is equipped both with an incandescent and with an ordinary burner.

A red fixed port light is displayed on a tripod to the east of the flashing light.

The timber cut on the reservation has cost much less than the same quality of wood costs in Manila.

Money statement.

[Built from appropriation for completion of minor stations and construction of new, Acts 831 and 1114.]

Expenditures to June 30, 1904:

Wages.....	10,342.24
Subsistence.....	2,264.36
Materials.....	7,289.80
	<hr/>
	19,896.40
Estimated amount required to finish.....	3,000.00
	<hr/>
Total.....	22,896.40

ROMBLON HARBOR.

Arrangements were made with the governor of Romblon to have the province supply the necessary boats and lighters and pay the laborers needed for the erection of lights and construction of beacons in Romblon harbor. With this understanding an American overseer and assistant were sent to that place in February to take charge of the work, and the necessary materials were also supplied by this division. The province provided about 20 laborers per day until May 1, after which it was necessary for this division to hire laborers until the completion of the work about May 15. The amount of work was greater than was at first contemplated and the provincial authorities did not deem themselves justified in spending more money after May 1.

The following work was accomplished:

Sabang Point.—A port light was established on this point on a concrete tower erected during the Spanish occupation. This light marks the entrance to the harbor.

A nipa dwelling of four rooms for the keeper was built. Small hardwood trees were cut on Bagatao Island for the posts of this dwelling and were set in concrete in the ground, to prevent their being attacked by either rot or white ants. A small storehouse for oil and paints was erected near the tower.

The ground surrounding the station was cleared and fenced.

Sabang Reef.—On the extremity of this reef was erected a structure of heavy iron pipes 24 feet high. The reef is rough and rocky and covered by about 5 feet of water at low tide. The iron structure was fitted together on a lighter and then towed to the reef and sunk in place. Concrete in sacks was used to level the structure and to anchor the legs. Loose stone was piled around the beacon up to low-water level. Two wooden targets visible several miles were fastened to the upper part of the beacon. The structure was treated with hot coal tar to preserve it from the action of salt water.

Agbatan Reef.—A beacon similar to the one described above was erected on this reef under practically the same conditions.

Binagon Reef.—A concrete beacon supporting an upper part of wood was erected on this reef.

The depth of the water at the site is only 3 or 4 feet and little difficulty was experienced in depositing the concrete, using a box as a cofferdam.

Range lights.—The front range structure is similar to the beacon constructed on Binagon Reef. The rear range is a post erected on shore. On each of these is displayed a red lens lantern.

Money statement.

[Built from appropriation for completion of minor stations and construction of new.]

Expenditures:

Wages.....	11,219.80
Subsistence.....	444.00
Material.....	1,380.52
	<hr/>
Total.....	3,044.32

BUGUI POINT.

At the beginning of the fiscal year a party of about 60 men were at work completing this station, which had been left in an unfinished condition by the Spaniards. A third-order flashing light had been installed but had been partly destroyed by insurrectos and the other parts were so badly rusted that it was necessary to get a new apparatus.

This work was completed last September. The following is a partial list of the work done during the year by the party:

Made and fitted doors and windows, laid walks, built gutters, finished ceiling, roof, and veranda and completed generally all needed work on the tower, kitchens, storeroom and dwelling.

Last January a small party was sent to this station to regrade the court because water stood on it, to paint the roofs, to erect a flagstaff, put a lightning rod on the tower, and make ventilators for the lantern, as it had been discovered that the light did not burn steadily without this regulation.

This work was completed in February.

Money statement.

[From appropriation for completion of minor stations and construction of new, Acts 831 and 1114.]

Expenditures:	
Wages.....	P 6,699. 70
Subsistence.....	528. 90
Materials.....	2,247. 81
Total.....	9,476. 41

CAPUL ISLAND.

At the beginning of the fiscal year a party was at work at Capul light station, which had been left in an unfinished state by the Spaniards. Work was continued with a force of from 60 to 90 men until last November, when the work was completed.

A third-order flashing light had been installed here by the Spaniards, but had been destroyed by the insurrectos, and a new one had to be bought.

Since the beginning of the year the walls of the house have been completed, the roof put on, the house finished, a latrine built, the tower completed, the apparatus installed, the grounds graded, walks laid, etc. The station is now in excellent condition and in full working order.

Money statement.

[From appropriation for completion of minor stations and construction of new, Acts 831 and 1114.]

Expenditures:	
Wages.....	P 12,600. 45
Subsistence.....	4,237. 42
Materials.....	1,116. 46
Total.....	17,954. 33

JINTOTOLO.

This station, like several others, had been in course of construction when the Spanish-American war broke out. A party of about 40 men were completing the work under this office at the beginning of the fiscal year.

The work done since the 1st of July by this party was the finishing of the floors, ceilings, veranda, kitchens, cistern, plastering, fence, walks, doors, and windows, grading, the installation of a third-order flashing light, etc., which was completed last December.

Money statement.

[From appropriation for completion of minor stations and construction of new, Acts 831 and 1114.]

Expenditures:	
Wages.....	P 7,635. 19
Materials.....	1,198. 77
Subsistence.....	2,122. 10
Total.....	10,955. 96

SAN BERNARDINO.

At the beginning of the fiscal year a party was at work completing this station, which had been left in an unfinished state by the Spaniards.

The party remained there until September, when they were taken off the island, as it was not considered safe to leave them longer on account of the impossibility of landing there during the winter months.

A party was again sent to this station to complete the work in May, 1904, and are there at present.

The work done during the year has included the making of doors and windows, completion of storehouse and kitchen, painting, plastering, tinning, ironwork on veranda, etc.

Money statement.

[From appropriation for completion of minor stations and construction of new, Acts 831 and 1114.]

Expenditures:	
Wages.....	P 5,040. 16
Subsistence.....	1,728. 31
Materials.....	3,349. 41
	<hr/>
	10,117. 88
Liabilities:	
Insular purchasing agent, materials.....	496. 44
	<hr/>
Total liabilities and expenditures to June.....	10,614. 32
Estimated amount to finish.....	1,311. 90
	<hr/>
Total.....	11,926. 22

BAJO APO.

A survey party was organized in November, 1903, and sent to this station for the purpose of making a topographical survey of the island.

Several plans were considered and compared with the original Spanish plans. It was finally decided that for all structures, excepting the tower, a different construction would be used, and instead of the heavy masonry buildings proposed by the Spanish Government, modern steel concrete structures will be erected. This construction will be lighter, require less material, and therefore be more economical and still be fully as strong and permanent as the heavier construction.

Complete plans were made, and in June, 1904, a party of 1 American and 45 natives was organized and will be sent to the island early in July. Work will be pushed as rapidly as possible, and, weather permitting, the station will be in operation in about ten months.

Money statement.

Amount appropriated:	
Act 831.....	P 30,000. 00
Act 1114.....	12,000. 00
	<hr/>
	42,000. 00
Expenditures to June 30:	
Materials.....	P 1,094. 48
Wages.....	1,377. 48
Subsistence.....	60. 50
	<hr/>
	2,532. 46
	<hr/>
	39,467. 54
Liabilities:	
Apparatus.....	10,500. 00
Insular purchasing agent, materials.....	766. 84
	<hr/>
	11,266. 84
	<hr/>
Balance available.....	28,200. 70
Amount in estimate required to finish.....	23,000. 00
	<hr/>
Estimated expenditure required to complete.....	51,200. 70

MANIGUIN.

A preliminary examination was made of this island with the view of erecting a flashing light here during the coming year. A map of the island has been made and the elevation of the site of the proposed station obtained. Plans for the various structures to be erected are in course of preparation.

Money statement.

Amount appropriated, Act 831.....	P 60,000.00
Expenditures:	
Materials.....	P 407.95
Wages.....	144.98
	<hr/> 552.93
Balance.....	59,447.07
Liabilities:	
Apparatus.....	10,500.00
Insular purchasing agent.....	53.50
	<hr/> 10,553.50
Balance available.....	48,893.57
Amount estimated required to finish.....	20,000.00
	<hr/>
Amount required to complete.....	68,893.57

GRANDE ISLAND (SUBIG BAY).

In January a new port light was displayed on the incomplete tower on this island in place of the old lens lantern.

A preliminary examination was made to ascertain the amount of work done by the Spaniards, what materials were left at the station and in what state of preservation, and to make plans for the necessary work to complete the station.

Plans have been begun for this work and it is expected to send a construction party to the station in August, 1904, to complete the station and install a new flashing light.

Money statement.

Amount spent during Spanish régime.....	P 3,669.46
Estimated amount necessary to complete.....	18,000.00
	<hr/>
Estimated total cost.....	21,669.46

CAPE BOLINAO.

A surveying party was sent to this place in February to make a survey and to get the elevation of several points, with a view to choosing a site for a new flashing light. The party worked under great difficulties. It was compelled to land several miles from the site on account of the rocky and dangerous coast. Two days were required to reach the site, a road having to be cut through the brush and woods over a part of the way.

The country is rough and densely wooded, making surveying work slow and difficult.

SAN FERNANDO POINT.

The same surveying party also made a survey for a reservation on San Fernando Point, and chose a site for a new flashing light.

SAN FERNANDO RANGE.

The red lens lanterns on the range beacons at San Fernando were unsatisfactory on account of not being visible at a sufficient distance. A red port light was substituted for each pair of these lanterns, the beacons were painted a different color to increase their visibility, and each reservation was inclosed by a fence.

DAGUPAN.

The reservation at Dagupan was surveyed and the boundaries marked.

SILAQUI.

A survey was made of this island to ascertain its desirability as the site for a light station.

RAPU-RAPU.

A preliminary examination was made of this point to choose a site for a light station. An available site was found, its elevation obtained, and also information concerning the place for anchorage, landing, water supply, etc.

Notices to mariners have been issued during the year and widely distributed, giving necessary warnings of changes, irregularities, etc., in lights.

Correspondence has been had with the governments of Japan, China, and the Dutch East Indies relative to their experiences with different kinds of apparatus and structures, and with particular reference to the atmospheric and seismic conditions of this part of the world.

REPAIR WORK.

The following work was accomplished during the fiscal year under the appropriation for "Repairs to light stations now in operation," Acts 807 and 1049:

CALABAZAS.

A party consisting of 2 Americans, 3 chino carpenters, and 6 native laborers began extensive repairs here on August 10, 1903. This force was increased to a total of over 40 on September 18, and remained at about that strength until completion of repairs last February.

A landslide had threatened the safety of the tower, making it necessary to build a retaining wall to protect it.

Excavations were made under the floors and new ones put in; new roofs and ceilings were made and several roof timbers replaced which had been destroyed by white ants; the service road was improved, drains constructed, a new latrine built, etc.

Money statement.

Expenditures:

Wages.....	P9, 587. 95
Material.....	2, 658. 63
Subsistence.....	3, 016. 70
Total.....	15, 263. 28

GIGANTES.

A working party consisting of 2 Americans, 4 Chino carpenters, and 17 Filipino laborers began extensive repairs here on August 9, 1903, and continued work with small additions to the force until the completion of the repairs in January, 1904.

The station was in a very dilapidated condition, having been neglected for several years, making it necessary to renew or repair the roofs, gutters, cornice, ceilings, floors, doors, windows, cisterns, roof timbers, etc.

Excavations were made under the floor to a depth of 2 feet 6 inches, new sills were put in, and new foundations under the partition walls, with the expectation that the floors will now be more durable and not likely to be attacked by white ants.

Money statement.

Expenditures:

Wages.....	P7, 355. 16
Material.....	2, 938. 09
Subsistence.....	1, 272. 20
Total.....	11, 565. 45

LUZARAN.

The station at Luzaran had become endangered by the giving way of the retaining wall in front of the tower. A large section of this wall had overturned and fallen into the sea, taking with it part of the earth backing, leaving both the tower and house in imminent danger of being undermined. It was decided to replace the old wall by a new concrete wall of greater thickness and constructed nearer to the tower.

A party of 16 men under charge of an American overseer was sent to this station in January, 1904; some local laborers were hired, making in all a party of 25 men. They will complete work about July 25.

This station was built partly on a fill, making it necessary to go down to a depth of 18 feet in front of the tower in order to get a firm foundation for the new retaining wall. This

wall is 2 feet thick at the top, and has a batter of 1 foot horizontally to each 3 feet vertically. The surface of the ground between the house and retaining wall has been covered by a cement mortar walk to prevent water getting in behind the wall, and drain pipes have been led through it near the base to allow any water inside to escape.

The system of drainage has been so arranged as to discharge all surface water at the rear of the station so as to prevent the soil in front of the station from being washed away.

Besides the retaining wall certain minor repairs have been made.

The old Spanish latrine near the house was changed into an oil room.

A new concrete latrine with a flushing system was constructed at a short distance from the house.

Repairs were made to the concrete stairway leading from the beach to the station.

Repairs were also made to the kitchen stove and to the roof.

Money statement.

Expenditures:

Wages.....	P 3,620. 03
Material.....	4,726. 34
Subsistence.....	1,072. 80
Total.....	9,419. 17

CAPONES.

This important first-order light has given constant trouble. The lens is of the old pattern and revolves on steel rollers, which, with the track on which they run, have become worn and uneven, so that the light runs irregularly and sometimes stops.

New rollers were made and substituted for the old ones, with the result that the regularity of the light has been much improved.

Money statement.

Expenditures:

Rollers, etc.....	P 660. 42
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SIETE PECADOS.

On the 21st of March a party of 6 men in charge of an American carpenter were sent to this station to make minor repairs. These were completed in May.

A new frame latrine was built at some distance from the dwelling, and the old Spanish one adjoining the kitchen was converted into a storeroom.

The kitchen stove and sink were changed and improved, and the doors and windows of the station repaired and refitted where necessary.

The fixed light was replaced by a new flashing light, which is fitted with both an incandescent and an ordinary burner, the installation being made by an American machinist with the assistance of the working party.

Money statement.

Expenditures:

Wages.....	P 510. 62
Material.....	820. 06
Subsistence.....	200. 60
Total.....	1,531. 28

SAN NICOLAS SHOAL.

A party was sent to paint the iron tower erected by the Spaniards on San Nicolas Shoal, Manila Bay. An examination was made of the tower preparatory to installing there a light which has been recently received.

Money statement.

Expenditures:

Wages.....	P 47. 10
Material.....	41. 00
Total.....	88. 10

Liabilities:

New apparatus to be installed (installation of lenses, Act 807).....	4,643. 50
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CORREGIDOR.

A small party was sent to this station to make some minor repairs to doors, windows, and drains.

IMPROVEMENT OF EXISTING LIGHTS.

The appropriation of \$7,000 made for this purpose by act No. 807 was applied to the purchase of apparatus for a flashing sixth-order light to take the place of the lens lantern on Grande Island at the entrance to Subig Bay, for a flashing thirty-day light to be placed in the light-house on San Nicolas Shoal, Manila Bay, and for portions of flashing lights to replace fixed lights at Capul Island, Strait of San Bernardino, and at San Fernando Point, Union Province.

Money statement.

Appropriation:		
Act 807.....		₱ 14,000. 00
Expenditures:		
Balance incandescent light, Capul.....		417. 16
		<hr/> 13, 582. 84
Liabilities:		
Apparatus—		
Subig Bay.....	₱ 5, 114. 12	
San Nicolas.....	4, 727. 00	
San Fernando.....	3, 741. 72	
	<hr/>	13, 582. 84

REPAIR SHOP AND STOREHOUSE.

In June, 1904, the repair shop and storehouse, formerly located on the south bank of the Pasig River near the machine shop of the works of the port, were moved to the building on Engineer Island, which had been reconstructed for the purpose by the bureau of architecture. The building is not yet completed; a good deal remains to be done to place it in satisfactory condition for use. A wharf was built by this office along the river side of the new storehouse, and tools and machinery have been ordered for the repair of light-house apparatus.

From the storehouse were shipped to the various stations practically all the materials, tools, and supplies used in construction and repair work. Minor repairs and changes in apparatus and various small parts needed were made in the repair shop.

Money statement.

FOR MAINTENANCE AND OPERATION OF WAREHOUSE.

Act 807.....	₱ 6, 000. 00	
Act 1049.....	6, 000. 00	
	<hr/>	₱ 12, 000. 00
Expenditures:		
Wages.....	11, 844. 80	
Material.....	81. 84	
	<hr/>	11, 926. 64
		73. 36
Liabilities:		
Outstanding pay rolls.....		73. 36

FOR PURCHASE OF TOOLS.¹

Act 1049.....	₱ 2, 000. 00	
Expenditures:		
Tools.....	171. 61	
	<hr/>	1, 828. 39
Liabilities:		
Tools ordered from insular purchasing agent, including lathe, belting, etc.		1, 828. 39

FOR BUILDING OF WHARF AND MOVING WAREHOUSE.

Act 1049.....	₱ 6, 000. 00	
Expenditures:		
Wages.....	₱ 2, 189. 71	
Materials.....	3, 478. 10	
	<hr/>	5, 667. 81
		332. 19

Liabilities:

Machine shop for supplies.....	P 54. 14	
Insular purchasing agent, materials.....	72. 74	
		P 126. 88
Balance available.....		215. 31

PROPOSED WORK DURING COMING YEAR.

The repair work now under way at Luzaran and San Bernardino and the construction of the new station at Bagatao should be completed during the present month and the working parties withdrawn. If sufficient funds are provided, an attempt may be made to build a small wharf at San Bernardino to enable a landing to be made there during the winter months in case of emergency. It is doubtful whether a wharf can be built for a moderate sum that will stand the heavy seas that constantly beat around this island.

The party organized to construct the new station on Apo Island will commence work early in July. It is expected that a party will be ready in August to begin the reconstruction of the light-house marking the entrance to Subig Bay.

The apparatus for the flashing light on San Nicolas Shoal, Manila Bay, has been delivered and will be installed in the course of a few weeks, weather permitting.

The work on the new stations at Tanguingui and Capitancillo should be completed by the end of October, and that at Bagacay two or three months later. It is probable that the parties from these stations will be reorganized and two of them sent to build the proposed light-houses at San Fernando Point and on Maniguin Island, off the west coast of Panay. All the necessary apparatus and appurtenances for these two lights, and for those at Apo, Subig Bay, Tanguingui, Capitancillo, and Bagacay, are either on hand or have been ordered and will be paid for from appropriations already made.

Twelve port lights, two of which are to be occulting, have also been ordered from funds on hand and should be received within the next few weeks. Some of them will be used to replace inferior lights and others will be established at new points.

A number of stations now in operation are in need of repairs. In a few cases the need is urgent, but it is believed that in no case will the repairs have to be of a very extensive character. The amount of work in sight is, however, ample to keep a repair party continuously at work during the year.

A survey party under a competent civil engineer should be organized as soon as possible. It is needed to make careful topographical surveys of proposed sites for new stations, to lay out new light-house reservations, and to mark those already set aside.

Funds have been asked for to increase the distinctive character of some of our minor fixed lights by converting them into occulting lights. It is also desired to improve some of the flashing lights by installing in them incandescent burners and by eliminating the objectionable false flashes, due mainly to the use of flat instead of curved panes of glass in the lantern.

Estimates have been submitted for the construction of 7 new light stations, of which 4 are to be third and fourth order flashing lights, and 3 are to be occulting lights. If the amounts asked for are appropriated, it is hoped to begin construction work at most of these new stations during the coming year.

Very respectfully,

SPENCER COSBY,
Captain, Corps of Engineers, U. S. Army,
Light-house-Engineer.

REPORT OF THE DIVISION OF LIGHT-HOUSE MAINTENANCE.

BUREAU OF COAST GUARD AND TRANSPORTATION,
OFFICE OF THE LIGHT-HOUSE INSPECTOR,

Manila, P. I., July 28, 1904.

CHIEF OF BUREAU OF COAST GUARD AND TRANSPORTATION,

Manila, P. I.

SIR: The division of light-house maintenance has the honor to submit the following report for the fiscal year ending June 30, 1904:

1. There were maintained by this division at the beginning of the year 15 flashing lights, 5 fixed lights, and 41 smaller lights.

During the year there have been 2 fixed lights changed to flashing lights, and 2 flashing and 14 lesser lights established; also 1 small light discontinued, making the total number of lights in existence June 30, 1904, as follows: Flashing lights, 19; fixed lights, 3; smaller lights, 54; total, 76.

2. At the beginning of the year there were employed for the care and maintenance of the lights 80 keepers in charge and assistants, 8 apprentices, and 36 boatmen.

During the year the following changes have been made: Keepers discharged, 22; apprentices discharged, 13; boatmen discharged, 21; keepers employed, 27; apprentices employed, 33; boatmen employed, 24; apprentices promoted to keepers, 9.

The following were in the employ of this division on June 30, 1904: Keepers in charge and assistants, 93; apprentices, 19; boatmen, 40.

3. At the beginning of the year there were 44 buoys in position. There have been 20 new ones placed during the year, as follows: Channel to Pasig River, Manila Bay, 5; over wreck near breakwater, Manila Bay, 1; over wreck of the steamship *Castilla*, Canacao Bay, near Cavite, 1; Port Matalvi, Luzon Island, 1; Port Bolinao, Luzon Island, 2; San Fernando de Union Harbor, Luzon Island, 2; Cuyo Harbor, Cuyo Island, 2; Catbalogan Harbor, Samar Island, 1; Misamis Harbor, Mindanao Island, 3; Camp Overton Harbor, Mindanao Island, 2.

There has been one buoy discontinued (Salomague Harbor, Luzon Island), leaving 63 buoys in position June 30, 1904. Of these one is a temporary buoy placed off San Bernardino Island, for the use of the light-house tenders. Forty-six of these buoys have been overhauled and painted by light-house tenders and 17 by contract.

4. There were 9 beacons in existence at the beginning of the year. During the year there have been 10 more established, as follows: Port Matalvi, Luzon Island, 1; Romblon Harbor, Romblon Island, 5; near Cottabato, at mouth of the Rio Grande de Mindanao, 2; Basilan Island, 2; 19 beacons in existence June 30, 1904.

Act No. 807, enacted in July, 1903, appropriated for "buoyage for the half year ending December 31, 1903".....	P 16,000.00	
Act No. 1049, enacted in February, 1904, appropriated for "buoyage for the half year ending June 30, 1904".....	11,000.00	P 27,000.00
Expended to June 30, 1904.....	14,743.74	
Outstanding liabilities.....	11,764.30	
		26,508.04
Balance.....		491.96

Having had no vessel that was properly fitted for laying and handling buoys, we have been somewhat retarded in this line during the past year, but as the *Corregidor* has lately been fitted with a powerful lifting gear she is now prepared to handle any weight that may be required of her. It is proposed to place some thirty buoys during the coming year, as well as changing some of the second-class buoys at Iloilo and Cebu, replacing them with first-class buoys of United States regulation pattern. It is also proposed to build a buoy shed on Engineers Island, where all buoys will be overhauled and painted each year.

5. The light-house tender *Corregidor* (single screw, 250 tons, built in Shanghai, 1902) was hauled up on the slipway at Canacao early in December, 1903. Her rudder post was repaired, 226 sheets of metal on her bottom were renewed, and other necessary docking repairs were executed, at a total cost of P2,092.02. In June, 1904, she was fitted with heavier lifting gear for the better and safer handling of buoys and their appendages, heavy construction material, etc., at a cost of P1,050. She has a complete set of new awnings, costing P486.

During the past year she has placed 13 buoys and overhauled, painted, and replaced 31. She has made 313 visits to light stations, carrying a considerable amount of construction material, supplies, construction parties, etc., steaming 17,523 miles, on a consumption of 1,180 tons of Australian coal.

The light-house tender *Picket* (twin screw, 109 tons, formerly the *Woo Foo* of Shanghai) has been hauled out of the water three times during the past year (at Cavite navy-yard in August, 1903, and May, 1904; at Canacao in June, 1904). Both of her old propellers were replaced with new ones, her shafts were lined up, various repairs were made to her engines, boilers, hull, etc., and the vessel was calked all over and resheathed throughout with Muntz metal, at a total cost (three dockings) of P5,470.23. She is at present having the deck over her engine and firerooms renewed, which will cost P1,450.

She has been fitted with a complete set of new awnings, costing P272.75.

During the past year she has made 212 visits to light stations, carrying supplies, etc., steaming 13,314 miles, on a consumption of 478½ tons of Australian coal. She has placed 7 new buoys and overhauled, painted, and replaced 12.

The coast-guard cutter *Romblon* (twin screw, 250 tons, built in Japan, 1903) has been detailed on light-house duty since February, 1904. Her work has been principally with the construction division of this bureau.^a

6. Tabulated lists of the expenses of light stations and of the light-house tenders are attached hereto.

Very respectfully,

ALEX. FRANKLYN,
Light-House Inspector.

^aThe *Romblon* was formally invoiced to this division on July 1, 1904, by the division of vessels.

Expenses of light stations of the Philippine Islands, fiscal year ending June 30, 1904.

Name of station.	Salary.	Supplies.	Total cost.
Batangas.....	P 120.00	P 255.11	P 375.11
Baguacay.....	460.00	66.13	526.13
Boac.....	96.00	18.87	114.87
Cape Bojedor.....	2,516.00	1,188.92	3,704.92
Balayau.....	116.00	39.80	155.80
Bugul.....	2,283.33	889.94	3,173.27
Bagatao.....	191.50	410.34	601.84
Capitancillo.....	332.00	286.18	618.18
Catbalogan.....	240.00	359.93	599.93
Pulo Caballo.....	1,344.00	157.61	1,501.61
Calbayog.....	150.00	51.46	201.46
Cabra.....	2,688.00	1,300.99	3,988.99
Capul.....	1,815.45	1,449.02	3,254.47
Capones.....	2,809.94	1,460.39	4,270.23
Calabazas.....	1,706.00	590.17	2,296.17
Canal.....	560.00	165.89	725.89
Canunay.....	524.40	117.55	641.95
Corregidor.....	2,728.66	1,622.13	4,350.79
Cuyo.....		204.51	204.51
Cabupan.....	120.00	269.10	389.10
Coron.....		4.50	4.50
Culion.....		4.50	4.50
Camp Overton.....		277.82	277.82
Cottabato.....	32.00	277.82	309.82
Dagupan.....	480.00	90.80	570.80
Davao.....		235.66	235.66
Dapitan (Tagalo Point).....	49.32	199.23	248.55
Cape Engaño.....	2,615.00	1,193.18	3,808.18
Escareco.....	624.00	106.18	730.18
Gigantes.....	1,742.00	472.83	2,224.83
Puerto Galera.....	240.00	46.01	286.01
Grande Island.....	390.00	229.40	619.43
Iloilo.....	837.33	123.39	960.72
Jolo.....	240.00	415.00	655.00
Jintotolo.....	2,160.00	884.46	3,044.46
Liniao.....	1,517.34	264.89	1,782.23
Lanis Ledge.....	360.00	142.93	512.93
Lipata Shoal.....	624.00	213.61	837.61
Legaspi.....	480.00	498.92	978.92
Lucena.....	120.00	15.10	135.10
Luzaran.....	1,728.00	716.42	2,444.42
Los Baños.....		145.66	145.66
Lemery.....	60.00	74.41	134.41
Manigonigo.....	1,476.00	415.23	1,891.23
Maetan.....	480.00	180.22	660.22
Malabrigo.....	2,270.00	645.32	2,915.32
Melville.....	2,770.00	904.06	3,674.06
Masbate (Palinog).....	240.00	88.01	328.01
Malahog.....		235.66	235.66
Napindan.....	396.00	134.01	520.01
Ormoe (Leyte).....		73.24	73.24
Pollok.....	240.00	71.26	311.26
Puerto Princessa.....		210.91	210.91
Pasig.....	1,716.17	453.32	2,269.49
Pitogo.....		69.69	69.69
Romblon Point.....	100.00	111.08	211.08
Romblon Range.....		126.03	126.03
Santiago.....	1,728.00	399.28	2,127.28
Siete Pecosos.....	1,576.80	393.32	1,970.12
Sangley.....	440.00	174.99	614.99
San Bernardino.....	1,920.00	2,123.24	4,043.24
San Fernando Point.....	486.00	154.89	640.89
San Fernando Range.....	477.89	605.98	1,083.87
San Nicolas (Cebu).....	360.00	104.88	464.88
San Pedro.....	360.00	54.94	414.94
Santa Cruz (Mindanao).....		94.09	94.09
Surigao.....	49.00	186.49	235.49
Tacloban.....	240.00	302.80	542.80
Tanguingul.....	73.33	173.68	247.01
Tuy Tuy.....		10.52	10.52
Zamboanga.....	359.00	89.34	448.34

SUMMARY.

Salaries.....	P 52,919.52
Supplies.....	26,402.30
Total.....	79,321.82

Expenses of light-house tenders, fiscal year ending June 30, 1904.

	Corregidor.	Picket.
Salary and subsistence.....	P27,664.68	P14,789.62
Supplies.....	7,616.86	7,148.98
Coal (cost).....	16,189.96	6,970.99
Repairs.....	5,436.42	7,762.75
Laundry.....	87.73	35.19
Incidental expenses.....	405.32	527.88
Total.....	57,400.97	37,235.41

^a This amount includes P1,025, which was the cost of making necessary alterations on lifting gear for the more efficient handling of heavy construction material, first-class buoys and their appendages, etc.

BUREAU OF COAST GUARD AND TRANSPORTATION,
OFFICE OF THE LIGHT-HOUSE INSPECTOR,
Manila, P. I., September 16, 1904.

CHIEF OF BUREAU OF COAST GUARD AND TRANSPORTATION,
Manila, P. I.

SIR: The division of light-house maintenance has the honor to submit the following report for the months of July and August of 1904, supplemental to the annual report for fiscal year ending June 30, 1904:

1. There has been one flashing light established on San Nicolas Shoal, Manila Bay, sixth order, making the total number of lights under control of this division August 31, 1904, as follows: Flashing lights, 20; fixed lights, 3; smaller lights, 54; total, 77.

2. The following were in the employ of this division for the care and maintenance of the above lights July 1, 1904: Keepers in charge and assistants, 93; apprentices, 19; boatmen, 40.

The following changes have been made during the two months mentioned: Keepers discharged, 3; apprentices discharged, 4; boatmen discharged, 3; keepers employed, 3; apprentices employed, 8; boatmen employed, 7; apprentices promoted to keepers, 2.

There were in the employ of this division August 31, 1904, 95 keepers in charge and assistants, 21 apprentices, and 44 boatmen.

3. There has been 1 buoy placed over the wreck of the schooner *Marina* in Manila Bay. The temporary buoy at San Bernardino went adrift in July, and there still remains 63 buoys in position.

4. No new beacons have been established during the two months mentioned, and as the beacon on San Nicolas Shoal has been lighted, and is now included in the list of flashing lights, there are 18 beacons at present.

5. The light-house tender *Corregidor* was hauled up on the slipway at Canacao in August. Her tail shaft was hauled in and propeller removed for examination. A slight corrosion was found under the after end of the sleeve, and it was decided that although the shaft was not bad enough to condemn, and could be used as a spare shaft, it was nevertheless considered advisable to put in a new shaft, which was done. The vessel's bottom was recaulked to deep load line and resheathed throughout with 1,240 sheets of Muntz metal. The rudder post was renewed and shoe refitted. The rolling chocks were repaired and 83 linear feet of planking renewed, as well as 87 linear feet of false keel. The latter repairs were found necessary, owing to injuries sustained in stranding at Burias in February and Cuyo in April, 1904. One-eighth of an inch was planed off the journals. A separate discharge valve and pipe from evaporator was fitted, the piping from fresh-water tanks was renewed, the steam and exhaust pipes were covered with asbestos, the ceiling in bunkers was removed, the frames in that space were cleaned and painted, and the ceiling replaced and calked. In addition to the usual docking repairs, such as grinding in sea valves, etc., several minor repairs in deck and engine departments were executed. The total cost of docking and repairing was 12,031.70 pesos, Philippine currency.^a During the past two months she has made 34 visits to light stations, carrying construction material, light-house supplies, etc., steaming 2,192 miles on a consumption of 187 tons of coal.

The light-house tender *Picket* had no extraordinary repairs done on her, with the exception of renewing the iron deck over engine and fire rooms, at a cost of 1,450 pesos, Philippine currency.^b She has placed 1 new buoy, overhauled, painted, and replaced 2, and has

^a This bill was not paid during August.

^b This amount was carried in the outstanding liabilities in the annual report for fiscal year ending June 30, 1904.

made 17 visits to light stations, carrying construction material, light-house supplies, etc., steaming 1,000 miles on a consumption of 45 tons of coal.

The light-house tender *Romblon* was formally invoiced to this division July 1, 1904, by the division of vessels. She has overhauled, painted, and replaced 1 buoy, made 37 visits to light stations, and steamed 2,654 miles on a consumption of 160 tons of coal.

6. Act 1225, enacted August 31, 1901, has authorized the increase of the salaries of first officers and first assistant engineers of cutters from \$900 to \$1,020 per annum, second officers of cutters from \$720 to \$840 per annum, and mates of seagoing launches from \$600 to \$840 per annum. The crews of each of the cutters (*Corregidor* and *Romblon*) have been increased by 2 sailors, and the crew of the *Picket* (seagoing launch) has been increased by 1 sailor.

The expenses (by actual disbursements of money and issue of supplies) for the two months mentioned are as follows:

Light-house tender *Corregidor*:

Salary and subsistence.....	P 2,561.96	
Coal (cost).....	2,591.82	
Supplies.....	733.73	
Incidental expenses.....	15.00	
		P 5,902.51

Light-house tender *Romblon*:

Salary and subsistence.....	2,421.26	
Coal (cost).....	2,217.60	
Repairs.....	75.00	
Supplies.....	1,600.12	
		6,313.98

Light-house tender *Picket*:

Salary and subsistence.....	1,227.01	
Coal (cost).....	623.70	
Repairs.....	16.50	
Supplies.....	520.47	
Incidental expenses.....	7.95	
		2,395.63

Total.....		14,612.12
Salaries of light stations.....	1,724.49	
Supplies of light stations.....	3,921.91	
		5,646.40
Buoyage.....		3,368.41
		23,626.93

Grand total.....

Very respectfully,

ALEX. FRANKLYN,
Light-House Inspector.

REPORT OF THE DIVISION OF VESSELS.

BUREAU OF COAST GUARD AND TRANSPORTATION, DIVISION OF VESSELS.

Commander J. M. HELM, U. S. NAVY,

Chief of Bureau of Coast Guard and Transportation, Manila, P. I.

SIR: I have the honor to submit the following report of the division of vessels, bureau of coast guard and transportation, from July 1, 1903, to June 30, 1904:

OFFICE.

The division at the beginning of the fiscal year was under the supervision of Mr. William Howe, who resigned on March 6, 1904, and was succeeded by the present incumbent.

The work of the division has steadily grown and has been subdivided as follows: Executive subdivision, pay subdivision, property subdivision.

PERSONNEL OF THE COAST-GUARD FLEET.

The cutters and sea-going launches continue to be manned by American and European officers, and their services, generally, have been satisfactory. They are rated as follows: Cutters, captain, first officer, second officer, chief engineer, assistant engineer, and postal clerk; sea-going launches, master, mate, and chief engineer.

The cutters carry a crew of 31 enlisted men, all of them being Filipinos, except the mess servants, who are, in some cases, Chinese.

On account of having twin screws, the cutters *Romblon* and *Marinduque* carry an additional machinist.

The sea-going launches carry a crew of 16 enlisted men.

POSTAL CLERKS.

Each cutter when placed on a regular route has a postal clerk assigned to her, who combines the duties of postal and freight clerk and purser.

ARMAMENT OF THE COAST-GUARD FLEET.

The division has 28 1-pounder Hotchkiss rapid-fire guns and 10 .30 caliber Gatling guns. The armament of each cutter consists of 2 Hotchkiss 1-pounder rapid-firing guns and 1 Gatling gun. The division still needs 2 Hotchkiss 1-pounder rapid-fire guns and 5 Gatling guns to complete the armament.

Recently the bureau bought 250 Springfield carbines, caliber .45, with accessories, and 129 Colt's revolvers, caliber .45, with belts and holsters, from the Philippines Constabulary.

The following list shows the guns and small arms on board each vessel:

Name.	Hotchkiss, 1-pounder.	Gatling gun.	Carbines, caliber .45.	Revolvers, caliber .45.
Negros.....	2	1	12	5
Luzon.....	2	1	12	5
Polillo.....	2		12	5
Masbate.....	2		12	5
Busuanga.....	2	1	12	5
Balabac.....	2		12	5
Palawan.....	2	1	12	5
Basilan.....	2	1	12	5
Tablas.....	2	1	12	5
Marinduque.....		1	12	5
Mindanao.....	2	1	12	5
Samar.....	2	1	12	5
Mindoro.....	2	1	12	5
Leyte.....	2		12	6
Panay.....			12	5
Ranger.....			4	3
Rover.....			3	3
Troy.....			3	
Sentinel.....			2	2

NEGROS.

(Capt. C. H. Reissar.)

She arrived in Manila Bay on September 13, 1902, from the builders, Farnham, Boyd & Co., and was immediately put in commission and placed under the command of Capt. John G. Fels.

During the same month she was assigned to duty on route No. 2, which covers a run from Manila to Surigao, stopping when necessary at Canauay light-house.

On August 22, 1903, she sighted the customs launch *Sea Gull* stranded on a reef in San Juanico Straits and assisted in getting her off.

On September 23, 1903, Captain Fels was transferred with his officers and crew to the coast-guard cutter *Samar*, and Capt. H. C. Reissar was placed in command.

On September 28, 1903, she was ordered to proceed to the east coast of Samar to gather up the presidentes of the different towns to take them to Tacloban for the annual election of provincial governor.

On October 18, 1903, after she had returned all presidentes to their respective towns, she reported for duty to the provincial governor of Negros Occidental, for the purpose of distributing rice to the provinces.

She returned to Manila to undergo repairs on October 31, 1903.

On November 12, 1903, she went on the slip at Cañacao and finished recoppering bottom and other repairs on November 20, 1903, then made ready to go to sea on route No. 1, running between Manila and Aparri, stopping when necessary at Cape Bojeador and Cape Engaño light-houses.

On December 20, 1903, she proceeded with a party of light-house constructors to Apo Island and on January 8, 1904, was ordered to proceed to Sorsogon to bring to Manila Judge Carson and 150 prisoners for Bilibid Prison.

made 17 visits to light stations, carrying construction material, light-house supplies, etc., steaming 1,000 miles on a consumption of 45 tons of coal.

The light-house tender *Romblon* was formally invoiced to this division July 1, 1904, by the division of vessels. She has overhauled, painted, and replaced 1 buoy, made 37 visits to light stations, and steamed 2,654 miles on a consumption of 160 tons of coal.

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The expenses (by actual disbursements of money and issue of supplies) for the two months mentioned are as follows:

Light-house tender *Corregidor*:

Salary and subsistence.....	P 2,561.96	
Coal (cost).....	2,591.82	
Supplies.....	733.73	
Incidental expenses.....	15.00	
		P 5,902.51

Light-house tender *Romblon*:

Salary and subsistence.....	2,421.26	
Coal (cost).....	2,217.60	
Repairs.....	75.00	
Supplies.....	1,600.12	
		6,313.98

Light-house tender *Picket*:

Salary and subsistence.....	1,227.01	
Coal (cost).....	623.70	
Repairs.....	16.50	
Supplies.....	520.47	
Incidental expenses.....	7.95	
		2,395.63

Total.....		14,612.12
Salaries of light stations.....	1,724.49	
Supplies of light stations.....	3,921.91	
		5,646.40
Buoyage.....		3,368.41

Grand total..... 23,626.93

Very respectfully,

ALEX. FRANKLYN,
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On account of having twin screws, the cutters *Romblon* and *Marinduque* carry an additional machinist.

The sea-going launches carry a crew of 16 enlisted men.

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Each cutter when placed on a regular route has a postal clerk assigned to her, who combines the duties of postal and freight clerk and purser.

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The division has 28 1-pounder Hotchkiss rapid-fire guns and 10 .30 caliber Gatling guns. The armament of each cutter consists of 2 Hotchkiss 1-pounder rapid-firing guns and 1 Gatling gun. The division still needs 2 Hotchkiss 1-pounder rapid-fire guns and 5 Gatling guns to complete the armament.

Recently the bureau bought 250 Springfield carbines, caliber .45, with accessories, and 129 Colt's revolvers, caliber .45, with belts and holsters, from the Philippines Constabulary.

The following list shows the guns and small arms on board each vessel:

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Luzon.....	2	1	12	5
Polillo.....	2		12	5
Mashate.....	2		12	5
Busuanga.....	2	1	12	5
Bulabac.....	2		12	5
Palawan.....	2	1	12	5
Basilan.....	2	1	12	5
Tablas.....	2	1	12	5
Marinduque.....		1	12	5
Mindanao.....	2	1	12	5
Samar.....	2	1	12	5
Mindoro.....	2	1	12	5
Leyte.....	2		12	6
Panay.....			12	5
Ranger.....			4	3
Rover.....			3	3
Troy.....			3	
Sentinel.....			2	2

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(Capt. C. H. Reissar.)

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The expenses (by actual disbursements of money and issue of supplies) for the two months mentioned are as follows:

Light-house tender <i>Corregidor</i> :		
Salary and subsistence.....	P 2,561.96	
Coal (cost).....	2,591.82	
Supplies.....	733.73	
Incidental expenses.....	15.00	
		P 5,902.51
Light-house tender <i>Romblon</i> :		
Salary and subsistence.....	2,421.26	
Coal (cost).....	2,217.60	
Repairs.....	75.00	
Supplies.....	1,600.12	
		6,313.98
Light-house tender <i>Picket</i> :		
Salary and subsistence.....	1,227.01	
Coal (cost).....	623.70	
Repairs.....	16.50	
Supplies.....	520.47	
Incidental expenses.....	7.95	
		2,395.63
Total.....		14,612.12
Salaries of light stations.....	1,724.49	
Supplies of light stations.....	3,921.91	
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Buoyage.....		3,368.41
Grand total.....		23,626.93

Very respectfully,

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REPORT OF THE DIVISION OF VESSELS.

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Masbate.....	2	12	5
Busuanga.....	2	1	12	5
Bulabac.....	2	12	5
Palawan.....	2	1	12	5
Basilan.....	2	1	12	5
Tablas.....	2	1	12	5
Marinduque.....	1	12	5
Mindanao.....	2	1	12	5
Samar.....	2	1	12	5
Mindoro.....	2	1	12	5
Leyte.....	2	12	6
Panay.....	12	5
Ranger.....	4	3
Rover.....	3	3
Troy.....	3
Sentinel.....	2	2

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On December 20, 1903, she proceeded with a party of light-house constructors to Apo Island and on January 8, 1904, was ordered to proceed to Sorsogon to bring to Manila Judge Carson and 150 prisoners for Bilibid Prison.

Expenses of light stations of the Philippine Islands, fiscal year ending June 30, 1904.

Name of station.	Salary.	Supplies.	Total cost.
Batangas.....	P120.00	P255.11	P375.11
Bagacay.....	460.00	66.13	526.13
Boac.....	96.00	18.87	114.87
Cape Bojeador.....	2,516.00	1,188.92	3,704.92
Balayán.....	116.00	39.80	155.80
Bugui.....	2,283.33	889.94	3,173.27
Bagatao.....	191.50	410.34	601.84
Capitancillo.....	332.00	286.18	618.18
Catbalogan.....	240.00	359.93	599.93
Pulo Cuballo.....	1,344.00	157.61	1,501.61
Calbayog.....	150.00	51.46	201.46
Cabra.....	2,688.00	1,500.99	3,988.99
Capul.....	1,815.45	1,449.02	3,254.47
Capones.....	2,809.94	1,460.39	4,270.33
Calabazas.....	1,706.00	590.17	2,296.17
Canal.....	560.00	165.89	725.89
Canauay.....	524.40	117.55	641.95
Corregidor.....	2,728.66	1,622.13	4,350.79
Cuyo.....	.....	204.51	204.51
Calapan.....	120.00	269.10	389.10
Coron.....	.....	4.50	4.50
Culion.....	.....	4.50	4.50
Camp Overton.....	.....	277.82	277.82
Cottabato.....	32.00	277.82	309.82
Dagupan.....	480.00	90.80	570.80
Davao.....	.....	235.66	235.66
Dapitan (Tagalo Point).....	49.32	199.23	248.55
Cape Engaño.....	2,615.00	1,193.18	3,808.18
Escareco.....	624.00	106.18	730.18
Gigantes.....	1,742.00	472.83	2,224.83
Puerto Galera.....	240.00	46.01	286.01
Grande Island.....	390.00	229.40	619.43
Iloilo.....	837.33	123.39	960.72
Jolo.....	240.00	415.00	655.00
Jintotolo.....	2,160.00	884.46	3,044.46
Linao.....	1,517.34	261.89	1,782.23
Lanis Ledge.....	360.00	142.93	512.93
Lipata Shoal.....	624.00	213.61	837.61
Legaspi.....	480.00	498.92	978.92
Lucena.....	120.00	15.10	135.10
Luzaran.....	1,728.00	716.42	2,444.42
Los Baños.....	.....	145.66	145.66
Lemery.....	60.00	74.41	134.41
Manigonigo.....	1,476.00	415.23	1,891.23
Mactan.....	480.00	180.22	660.22
Malabrigo.....	2,270.00	645.32	2,915.32
Melville.....	2,770.00	904.06	3,674.06
Masbate (Palinog).....	240.00	88.01	328.01
Mahabog.....	.....	235.66	235.66
Napindan.....	396.00	134.01	520.01
Ormoe (Leyte).....	.....	73.24	73.24
Pollok.....	240.00	71.26	311.26
Puerto Princessa.....	.....	210.91	210.91
Pasig.....	1,746.17	453.32	2,299.49
Pitogo.....	.....	69.69	69.69
Roniblon Point.....	100.00	111.08	211.08
Roniblon Range.....	.....	126.03	126.03
Santiago.....	1,728.00	399.28	2,127.28
Siete Pecados.....	1,576.80	393.32	1,970.12
Sangley.....	440.00	174.99	614.99
San Bernardino.....	1,920.00	2,043.24	4,043.24
San Fernando Point.....	486.00	154.89	640.89
San Fernando Range.....	477.89	605.98	1,083.87
San Nicolas (Cebu).....	300.00	104.88	404.88
San Pedro.....	300.00	54.94	414.94
Santa Cruz (Mindanao).....	.....	94.09	94.09
Surigao.....	49.00	186.49	235.49
Tacloban.....	240.00	302.80	542.80
Tanguingul.....	73.33	173.68	247.01
Tay Tay.....	.....	10.52	10.52
Zamboanga.....	359.00	89.34	448.34

SUMMARY.

Salaries.....	P52,919.52
Supplies.....	26,402.30
Total.....	79,321.82

Expenses of light-house tenders, fiscal year ending June 30, 1904.

	Corregidor.	Picket.
Salary and subsistence.....	P27,664.68	P14,789.62
Supplies.....	7,616.86	7,148.98
Coal (cost).....	16,189.96	6,970.99
Repairs.....	a 5,436.42	7,762.75
Laundry.....	87.73	35.19
Incidental expenses.....	405.32	527.88
Total.....	57,400.97	37,235.41

^a This amount includes P1.025, which was the cost of making necessary alterations on lifting gear for the more efficient handling of heavy construction material, first-class buoys and their appendages, etc.

BUREAU OF COAST GUARD AND TRANSPORTATION,
OFFICE OF THE LIGHT-HOUSE INSPECTOR,
Manila, P. I., September 16, 1904.

CHIEF OF BUREAU OF COAST GUARD AND TRANSPORTATION,
Manila, P. I.

SIR: The division of light-house maintenance has the honor to submit the following report for the months of July and August of 1904, supplemental to the annual report for fiscal year ending June 30, 1904:

1. There has been one flashing light established on San Nicolas Shoal, Manila Bay, sixth order, making the total number of lights under control of this division August 31, 1904, as follows: Flashing lights, 20; fixed lights, 3; smaller lights, 54; total, 77.

2. The following were in the employ of this division for the care and maintenance of the above lights July 1, 1904: Keepers in charge and assistants, 93; apprentices, 19; boatmen, 40.

The following changes have been made during the two months mentioned: Keepers discharged, 3; apprentices discharged, 4; boatmen discharged, 3; keepers employed, 3; apprentices employed, 8; boatmen employed, 7; apprentices promoted to keepers, 2.

There were in the employ of this division August 31, 1904, 95 keepers in charge and assistants, 21 apprentices, and 44 boatmen.

3. There has been 1 buoy placed over the wreck of the schooner *Marina* in Manila Bay. The temporary buoy at San Bernardino went adrift in July, and there still remains 63 buoys in position.

4. No new beacons have been established during the two months mentioned, and as the beacon on San Nicolas Shoal has been lighted, and is now included in the list of flashing lights, there are 18 beacons at present.

5. The light-house tender *Corregidor* was hauled up on the slipway at Canacao in August. Her tail shaft was hauled in and propeller removed for examination. A slight corrosion was found under the after end of the sleeve, and it was decided that although the shaft was not bad enough to condemn, and could be used as a spare shaft, it was nevertheless considered advisable to put in a new shaft, which was done. The vessel's bottom was recalked to deep load line and resheathed throughout with 1,240 sheets of Muntz metal. The rudder post was renewed and shoe refitted. The rolling chocks were repaired and 83 linear feet of planking renewed, as well as 87 linear feet of false keel. The latter repairs were found necessary, owing to injuries sustained in stranding at Burias in February and Cuyo in April, 1904. One-eighth of an inch was planed off the journals. A separate discharge valve and pipe from evaporator was fitted, the piping from fresh-water tanks was renewed, the steam and exhaust pipes were covered with asbestos, the ceiling in bunkers was removed, the frames in that space were cleaned and painted, and the ceiling replaced and calked. In addition to the usual docking repairs, such as grinding in sea valves, etc., several minor repairs in deck and engine departments were executed. The total cost of docking and repairing was 12,031.70 pesos, Philippine currency.^a During the past two months she has made 34 visits to light stations, carrying construction material, light-house supplies, etc., steaming 2,192 miles on a consumption of 187 tons of coal.

The light-house tender *Picket* had no extraordinary repairs done on her, with the exception of renewing the iron deck over engine and fire rooms, at a cost of 1,450 pesos, Philippine currency.^b She has placed 1 new buoy, overhauled, painted, and replaced 2, and has

^a This bill was not paid during August.

^b This amount was carried in the outstanding liabilities in the annual report for fiscal year ending June 30, 1904.

made 17 visits to light stations, carrying construction material, light-house supplies, etc., steaming 1,000 miles on a consumption of 45 tons of coal.

The light-house tender *Romblon* was formally invoiced to this division July 1, 1904, by the division of vessels. She has overhauled, painted, and replaced 1 buoy, made 37 visits to light stations, and steamed 2,654 miles on a consumption of 160 tons of coal.

6. Act 1225, enacted August 31, 1904, has authorized the increase of the salaries of first officers and first assistant engineers of cutters from \$900 to \$1,020 per annum, second officers of cutters from \$720 to \$840 per annum, and mates of seagoing launches from \$600 to \$840 per annum. The crews of each of the cutters (*Corregidor* and *Romblon*) have been increased by 2 sailors, and the crew of the *Picket* (seagoing launch) has been increased by 1 sailor.

The expenses (by actual disbursements of money and issue of supplies) for the two months mentioned are as follows:

Light-house tender <i>Corregidor</i> :	
Salary and subsistence.....	P 2,561. 96
Coal (cost).....	2,591. 82
Supplies.....	733. 73
Incidental expenses.....	15. 00
	<hr/> P 5,902. 51
Light-house tender <i>Romblon</i> :	
Salary and subsistence.....	2,421. 26
Coal (cost).....	2,217. 60
Repairs.....	75. 00
Supplies.....	1,600. 12
	<hr/> 6,313. 98
Light-house tender <i>Picket</i> :	
Salary and subsistence.....	1,227. 01
Coal (cost).....	623. 70
Repairs.....	16. 50
Supplies.....	520. 47
Incidental expenses.....	7. 95
	<hr/> 2,395. 63
Total.....	14,612. 12
Salaries of light stations.....	1,724. 49
Supplies of light stations.....	3,921. 91
	<hr/> 5,646. 40
Buoyage.....	3,368. 41
	<hr/> 23,626. 93

Very respectfully,

ALEX. FRANKLYN,
Light-House Inspector.

REPORT OF THE DIVISION OF VESSELS.

BUREAU OF COAST GUARD AND TRANSPORTATION,
DIVISION OF VESSELS.

Commander J. M. HELM, U. S. Navy,
Chief of Bureau of Coast Guard and Transportation, Manila, P. I.

SIR: I have the honor to submit the following report of the division of vessels, bureau of coast guard and transportation, from July 1, 1903, to June 30, 1904:

OFFICE.

The division at the beginning of the fiscal year was under the supervision of Mr. William Howe, who resigned on March 6, 1904, and was succeeded by the present incumbent.

The work of the division has steadily grown and has been subdivided as follows: Executive subdivision, pay subdivision, property subdivision.

PERSONNEL OF THE COAST-GUARD FLEET.

The cutters and sea-going launches continue to be manned by American and European officers, and their services, generally, have been satisfactory. They are rated as follows: Cutters, captain, first officer, second officer, chief engineer, assistant engineer, and postal clerk; sea-going launches, master, mate, and chief engineer.

The cutters carry a crew of 31 enlisted men, all of them being Filipinos, except the mess servants, who are, in some cases, Chinese.

On account of having twin screws, the cutters *Romblon* and *Marinduque* carry an additional machinist.

The sea-going launches carry a crew of 16 enlisted men.

POSTAL CLERKS.

Each cutter when placed on a regular route has a postal clerk assigned to her, who combines the duties of postal and freight clerk and purser.

ARMAMENT OF THE COAST-GUARD FLEET.

The division has 28 1-pounder Hotchkiss rapid-fire guns and 10 .30 caliber Gatling guns. The armament of each cutter consists of 2 Hotchkiss 1-pounder rapid-firing guns and 1 Gatling gun. The division still needs 2 Hotchkiss 1-pounder rapid-fire guns and 5 Gatling guns to complete the armament.

Recently the bureau bought 250 Springfield carbines, caliber .45, with accessories, and 129 Colt's revolvers, caliber .45, with belts and holsters, from the Philippines Constabulary.

The following list shows the guns and small arms on board each vessel:

Name.	Hotchkiss, 1-pounder.	Gatling gun.	Carbines, caliber .45.	Revolvers, caliber .45.
Negros.....	2	1	12	5
Luzon.....	2	1	12	5
Polillo.....	2	.....	12	5
Masbate.....	2	.....	12	5
Busuanga.....	2	1	12	5
Balabac.....	2	.....	12	5
Palawan.....	2	1	12	5
Basilan.....	2	1	12	5
Tablas.....	2	1	12	5
Marinduque.....	.....	1	12	5
Mindanao.....	2	1	12	5
Samar.....	2	1	12	5
Mindoro.....	2	1	12	5
Leyte.....	2	.....	12	6
Panay.....	.....	.....	12	5
Ranger.....	.....	.....	4	3
Rover.....	.....	.....	3	3
Troy.....	.....	.....	3	.....
Sentinel.....	.....	.....	2	2

NEGROS.

(Capt. C. H. Reissar.)

She arrived in Manila Bay on September 13, 1902, from the builders, Farnham, Boyd & Co., and was immediately put in commission and placed under the command of Capt. John G. Fels.

During the same month she was assigned to duty on route No. 2, which covers a run from Manila to Surigao, stopping when necessary at Canauay light-house.

On August 22, 1903, she sighted the customs launch *Sea Gull* stranded on a reef in San Juanico Straits and assisted in getting her off.

On September 23, 1903, Captain Fels was transferred with his officers and crew to the coast-guard cutter *Samar*, and Capt. H. C. Reissar was placed in command.

On September 28, 1903, she was ordered to proceed to the east coast of Samar to gather up the presidentes of the different towns to take them to Tacloban for the annual election of provincial governor.

On October 18, 1903, after she had returned all presidentes to their respective towns, she reported for duty to the provincial governor of Negros Occidental, for the purpose of distributing rice to the provinces.

She returned to Manila to undergo repairs on October 31, 1903.

On November 12, 1903, she went on the slip at Cañacao and finished recoppering bottom and other repairs on November 20, 1903, then made ready to go to sea on route No. 1, running between Manila and Aparri, stopping when necessary at Cape Bojeador and Cape Engaño light-houses.

On December 20, 1903, she proceeded with a party of light-house constructors to Apo Island and on January 8, 1904, was ordered to proceed to Sorsogon to bring to Manila Judge Carson and 150 prisoners for Bilibid Prison.

On January 12, 1904, she returned to duty on route No. 1.

On January 22, 1904, she picked up at sea a capsized native viray and rescued some 10 people thereon, and towed the wreck to San Esteban.

While anchored at Vigan, Ilocos Sur, about 8 p. m. of February 8, 1904, some constabulary soldiers revolted, looted the commissary, killed a native guard, cut the telegraph wires, liberated the prisoners incarcerated in the provincial jail, attacked the American inhabitants and terrorized the community. On this account the next few days were occupied by this cutter in running between Vigan, Salomague, in transposing constabulary to the scene of the outbreak.

The *Polillo* and *Basilan* also were sent to the neighborhood of Vigan at that time, and for several days assisted the military authorities in running down the renegade constabularios and the native civilians who were persuaded to join their ranks.

Negros remained on route No. 1 until June 23, 1904, when she was ordered to proceed to Cañacao Bay to be docked and repaired.

LUZON.

(Capt. John Foster.)

From July 1 to 6, 1903, she was on duty with the constabulary. On July 7, 1903, she was ordered to take up route No. 9, with headquarters at Cebu, and remained on this station until December 5, 1903, when she was relieved by the coast-guard cutter *Samar*, and returned to Manila over route No. 2.

After her arrival at Manila she was ordered to proceed to Cañacao, and from December 16 to 23, inclusive, she was on the slip. Her bottom was repaired and the vessel found to be in fairly good condition after long service among the southern islands. On December 31 her repairs were finished and she made ready to go to sea.

On January 26, 1904, she sailed with the penitentiary-site committee to Burias Island, Port Concepcion (Maestro de Campo), Port Busin (Burias Island), Port Santo Niño (Linbacanayan Island), Libulan Bay (Daco Island), Catbalogan, Camud Bay (Samar), Cebu, Zamboanga, Port Isabela, Pilas Island, Jolo, Siassi, Sandakan, Cagayan (Jolo), Lapun Island, Puerta Princesa, Cuyo, Iloilo, and Caluya Island. The party consisted of Colonel Baker, Philippines Constabulary; Mr. H. Wolf, warden of Bilibid Prison, and Mr. Bourne, chief of the bureau of architecture. She returned to Manila February 25, 1904.

On March 1 she made a trip over route No. 2, and on her return was anchored behind the breakwater and was given a general overhauling.

During April, 1904, she made three special trips to San Fernando de Union, on account of the civil commission being in session at Baguio, Benguet.

On May 17 she proceeded to Laguimanoc Bay, Batangas Province, with road supplies for the insular purchasing agent (including blasting powder, etc.), and on her return to Manila she made another trip to San Fernando de Union to return the clerks of the executive bureau to Manila.

On May 31, 1904, she went on the slip at Cañacao Bay, and it was found that her shaft was in bad shape owing to galvanic action caused by bad connection between propeller and tail shaft, and it had to be replaced. She remained there until the end of June, 1904, receiving a new tail shaft and propeller.

POLILLO.

(Capt. P. Leblond.)

From July 1, 1903, to August 1, 1903, this cutter was on duty with the constabulary under Colonel Bandholtz at Legaspi. On August 1 she was assigned to regular work on route No. 4, with headquarters at Legaspi.

In October, 1903, she was examined by divers at Cavite Navy-Yard and some of her copper was replaced.

On November 18, 1903, she received orders to go to the southern islands on a tour of inspection of the public schools with Doctor Barrows, general superintendent of schools, and Doctor Freer, superintendent of government laboratories, returning to Manila on December 17, 1903.

On December 18, 1903, she was ordered to go in search of the coast-guard cutter *Mindanao*, who had lost her propeller off Santa Cruz. She returned to Manila the same day, the *Mindanao* having been taken in tow by the coast-guard cutter *Masbate*.

On February 9, 1904, she took Colonel Scott, Philippines Constabulary, and a detachment of constabulary soldiers to Vigan, in connection with the constabulary mutiny at that place, and returned to Manila the latter part of the month.

From March 1 to 8 she was on the marine railway at Cañacao, and after finishing her repairs she sailed on the 15th over route No. 2. On arrival at Surigao she relieved the coast-guard cutter *Samar* on route No. 9.

She remained on this run until the end of June, 1904, with the exception of making a special trip from Cebu to Manila with Roman Catholic Bishop Hendricks on board, by order of the civil governor.

MASBATE.

(Capt. F. F. Stewart.)

From July 1, 1903, to August 20, 1903, she was on special duty at Manila. On August 20, 1903, she relieved the coast-guard cutter *Balabac* on route No. 3.

On September 11, 1903, she sailed for Sorsogon and brought to Manila a company of scouts.

On September 13, 1903, she sailed for Iba and Santa Cruz with 2,000 sacks of rice for the insular purchasing agent. After the rice was unloaded prisoners were taken on board at these places and landed at Dagupan.

On September 21, 1903, she was assigned to duty on route No. 1, on account of the government traffic along the northern and western coast of Luzon growing to such an extent that it was considered necessary to have two cutters to handle it.

She was relieved from this run on January 1, 1904, and proceeded with Captain Davies, local purchasing agent, and Mr. Washburn, manager of the government stock farm, to Busainga, Burias Island. After she returned from this detail she was again placed on her usual run until relieved on February 6 to go on the slip at Cañacao Bay.

From February 15 to 20, 1904, she was on marine railway having her bottom repaired.

On February 24, 1904, she returned to duty on route No. 1, where she remained until April 8, when she was ordered to take Major Shields, insular purchasing agent, and Major Townsend on a tour of inspection of the insular government coaling stations in the southern islands, visiting the following ports: Romblon, Sorsogon, Magallanes, Legaspi, Calbayog, Tacloban, Ormoc, Cebu, Iligan, Zamboanga, Jolo, Sandakan, Borneo, Balabac, Iloilo, and Calapan.

While returning with the above party, three weeks later, on May 1, 1904, she lost her propeller off the northern coast of Mindoro, and on the following day arrived at Manila in tow of the coast-guard cutter *Luzon*.

From June 12 to 16, 1904, she was on the slip at Cañacao, where a new propeller and tail shaft were fitted, and on the 23d she went on her trial trip and made ready to go on route No. 1 on July 1, 1904.

BUSUANGA.

(Capt. F. M. White.)

After doing special duty for the government, she was detailed on route No. 1 until October 24, 1903, when she was ordered to take up route No. 10. While on this route, on October 27, 1903, between Masbate and Cebu, she picked up five men from a capsized banca and turned them over to the collector of customs at Cebu.

During the month of November, 1903, her bottom was repaired and recoppered. She was on the slip at Cañacao from the 24th to the 30th. After being repaired she was put into service and returned to take up route No. 10.

On March 14, 1904, while at Zamboanga, she relieved the coast-guard cutter *Palawan* on route No. 8. She remained on this station until April 15, 1904, when she was relieved by the coast-guard cutter *Mindanao* and returned to Manila over route No. 10.

On April 17, 1904, she lost her propeller off the coast of Negros; at the same time her main steam pipe burst. On the same day she was picked up by the coast-guard cutter *Basilan* and towed to Manila.

On May 23, 1904, Captain Mason resigned and Capt. F. M. White was placed in command.

During the month of June, 1904, she was anchored off Cañacao Bay, waiting to go on the slip. On June 17, 1904, she was docked, and a new shaft and propeller were fitted.

On June 30, 1904, she went on a trial trip, and was placed at once in active service on route No. 10, relieving the coast-guard cutter *Basilan*.

BALABAC.

(Capt. P. J. C. Schoon.)

On July 1, 1903, this cutter was detailed to duty on route No. 2. On August 14 she went to Cavite Navy-Yard, had her bottom examined, and minor repairs made to her hull.

On August 28, 1903, she went on the slip at Cañacao, and on September 19 returned to duty on route No. 2.

On October 1, 1903, she was detailed on special duty with the collector of customs, cruising in foreign waters under secret orders. She made investigation of Pratas Reef; then on account of a typhoon approaching she ran to Hongkong for shelter and coal. She

returned to Manila on the 13th, and on the following day proceeded to Lanao River for the forestry bureau.

On November 9, 1903, she sailed for the southern islands with Commissioner Luzuriaga and Doctor Freer, returning on the 25th.

On November 28, 1903, she sailed for Subig Bay with 1,000 sacks of rice, and after unloading this freight she went to Sual to bring 57 prisoners, sentenced to terms in Bilibid prison, to Manila.

On December 15, 1903, she proceeded over route No. 2 to Tacloban, where she exchanged routes with coast-guard cutter *Basilan* on route No. 7.

While on this run, on February 18, 1904, she sailed with Captain Hunt, Philippines Constabulary, and reinforcements for the constabulary, from Catbalogan, for duty on the east coast of Samar, on account of the uprising of the Pulijanes. On the 24th, when the town of Borongan was surprised by a band of ladrones, a party of coast-guard sailors was landed in command of the first officer to help out the constabulary at that point.

On June 6, 1904, she was relieved by coast-guard cutter *Leyte* at Tacloban, returning to Manila over route No. 2 to have her propeller and tail shaft examined. The end of June finds her in Cañacao Bay, waiting her turn to go on the slip.

PALAWAN.

(Capt. William Wetherell.)

During July, 1903, she was doing special duty for the government among the different islands.

On July 15 Vice-Governor Wright left for Legaspi and Tabaco, returning to Manila on the 20th.

On July 23, 1903, she was placed on the slip at Cañacao to have her bottom repaired.

During August she left for a tour of inspection of light-houses, having Captain Franklyn, superintendent of light-house service, and Mr. H. B. Hatfield, pay officer of the fleet, on board.

On August 26 she left Manila, carrying 11 tons of the new currency for the treasury department for distribution among the southern islands.

On September 10 she was assigned to duty on route No. 10 and relieved the coast-guard cutter *Tablas* on route No. 8, with headquarters at Zamboanga.

On November 9, 1903, while on this station, she assisted the distressed launch *Carandugue* and towed her to Cottabato.

On the following day, at the request of General Wood, military governor of the Moro provinces, she took on board four companies of the Fourth Infantry, and, in company with the coast-guard launch *Ranger*, U. S. army transports and U. S. navy gunboats, proceeded to Catayuma and landed the troops at the place.

Fighting with the Moros commenced as soon as the troops were landed. She then returned to Zamboanga.

On December 27, 1903, while running on this route, she sighted the U. S. S. *Quiros* ashore on Pearl Bank, and at once hove to and gave her all the assistance possible, taking off guns, ammunition, etc., and was requested by the commanding officer of the *Quiros* to proceed to Sandakan to wire for help and to get divers.

In January, 1904, she towed the *Quiros* to Sandakan and returned to her regular run.

On March 11, 1904, she was relieved by coast-guard cutter *Busuanga* and returned to Manila.

On March 22 Captain McLeod resigned and Capt. William Wetherell was placed in command.

On April 4 she proceeded to Tabaco, thence to Carao Bay, to tow to Manila the disabled cutter *Leyte*, which had lost her propeller off the east coast of Luzon.

On March 20, 1904, she was assigned to duty on route No. 4, and while on this run picked up 40 scouts at Virac and transferred them to Palawan Bay.

On her return trip to Manila she called at Laguan Bay, Bataan Island, and took on board 28 tons of coal from the newly-opened mines for trial. This coal has given good results, with the exception that the consumption is greater than with the Japanese or Australian coals.

On June 30, 1904, she was in Manila Bay getting ready to return to duty on route No. 4.

BASILAN.

(Capt. Thomas A. Hillgrove.)

On June 6, 1903, Captain Dorris resigned and Capt. Thomas A. Hillgrove was placed in command.

On July 10, 1903, she was sent to duty on route No. 7, with headquarters at Tacloban, where she remained until December 17, when she exchanged routes with the coast-guard cutter *Balabac*, returning to Manila over route No. 2.

At the beginning of January, 1904, she was anchored off Cavite Navy-Yard and had her bottom repaired and cleaned and a few sheets of copper replaced.

On January 25 she sailed over route No. 10. On her return from this run she was ordered to report to Colonel Scott, Philippines Constabulary, at Vigan, in connection with the constabulary mutiny at that place, and returned from that detail on March 5, 1904.

From March 10 to March 12 she was on the slip at Cañacao Bay and was given a general overhauling.

On March 21 she sailed, with two lighters in tow, to Cebu and relieved the coast-guard cutter *Marinduque* on route No. 6.

While on this route, on April 17 she picked up the disabled cutter *Busuanga* off the coast of Negros and towed her to Manila.

During the months of May and June, 1904, she was assigned to duty on route No. 10, with headquarters at Manila.

TABLAS.

(Capt. James Miller.)

On July 1, 1903, she was assigned to duty on route No. 8, with headquarters at Zamboanga. Her work on this run proved to be very valuable.

She was relieved by the coast-guard cutter *Palawan* on September 23, 1903, and returned to Manila over route No. 10.

During October, 1903, she was undergoing repairs, and on the 9th instant made ready to go to sea under sealed orders.

On October 11 she proceeded to San Fernando and returned to Manila with Judge Odlin and party. On the 19th divers at Cavite examined her bottom and it was decided that she could not be repaired without docking her.

From November 12 to 23 she was on the slip at Cañacao and had her bottom recoppered, her false keel renewed, and was given a general overhauling. On the 23d she made ready to go on route No. 10.

On December 17 she received orders to proceed north in company with coast-guard cutter *Masbate* in search of the disabled cutter *Mindanao*, and after she had found that vessel off the coast of Zambales Province she took off the passengers and proceeded up north as far as Aparri, returning to Manila over route No. 1.

On December 30, 1903, according to orders from the civil governor, she proceeded to Albay with 43 Japanese laborers, and returned to Manila with Judge Blount and prisoners.

In the annual report of a year ago no mention was made of the work of the cutter *Tablas*, which, in April, 1903, hunted up the derelict *Prince George* on the east side of Basilan Island. This barkentine, of Christiania, Norway, left London eleven months previous with a cargo of pitch in bulk. Hot weather melted the pitch and caused the vessel to become unmanageable, and she was abandoned on March 8, 1903, after an attempt was made to scuttle her.

The crew was sick with beriberi and upon landing at Zamboanga on April 11, 1903, received medical attention from the military authorities, and later came on to Manila. On April 14, 1903, the *Prince George* was brought to Zamboanga by the *Tablas*. The captain of the *Tablas* reported:

"The vessel was found with all sail set, adrift, and abandoned, 2 miles southeast of Dipolod Island, Samales Group. On boarding the vessel there was found to be 11 feet of water in her, rising 2 feet above cargo in lower hold. Before leaving the ship the crew had cut a hole through her side. This hole was soon found, cold chisels and hammers near by indicating its location. The hole was plugged and ship cleared of water in four hours by her own pumps. Both anchors had been let go, with 25 fathoms of chain on each, but had not touched bottom. She is an iron vessel of 472 tons net, with a cargo of 850 tons of pitch in bulk, etc."

On January 1, 1904, she left Manila for the southern islands, being detailed for special customs service, with headquarters at Jolo. At the end of the fiscal year she was still assigned to this duty and was rendering excellent service to the bureau of customs.

Since January, 1904, the *Tablas*, with a special customs officer aboard, has cruised around the Sulu Archipelago endeavoring to break up the smuggling trade from Borneo, etc. She has seized a great many sapits and much contraband cargo.

ROMBLON.

(Capt. John Hennings.)

On the arrival of the cutter *Romblon* she was immediately placed in commission under the command of Captain Cahling and assigned to duty with the constabulary.

During the month of July, 1903, she was anchored at Cavite Navy-Yard undergoing repairs.

On August 1 she was assigned to route No. 5 with headquarters at Iloilo.

On October 12 she was relieved from this run and ordered to report to Colonel Taylor, Philippines Constabulary, in connection with the hunting down of the two constabulary officers, Herman and Johnson.

After this detail she was assigned to the governor of Negros Occidental to bring to Bacolod the presidents of the different towns for the election of provincial governor.

On January 1, 1904, she was in Manila undergoing general repairs.

On February 1 Captain Cahling was relieved and Captain Eaton was placed in command; the latter entered the civil hospital and First Officer Hennings was placed in command. On the 2d she proceeded with light-house construction material to Calabazas, Luzaran, and Maniguin islands.

On February 27, 1904, Captain Eaton resigned and First Officer John Hennings was placed permanently in command.

During the months of April, May, and June she was doing special duty with the light-house construction division, and on July 1, 1904, by authority of the civil governor, this vessel, together with all equipments, was invoiced to the light-house inspector, and the officers and crew transferred.

MARINDUQUE.

(Capt. H. Leube.)

This cutter was on special duty with the forestry bureau until July 10, 1903, when she was detailed on route No. 6, with headquarters at Cebu.

On March 27, 1904, she was relieved by the coast-guard cutter *Basilan*, and returned to Manila to be repaired.

On April 1 Captain Wetherell was relieved and Captain H. Leube was placed in command. On May 1 she returned to her station on route No. 6, and on the 6th First Officer Hennschien was placed in command, Captain Leube having received injuries which necessitated his entering the civil hospital in Manila.

For the remainder of the fiscal year she did duty on route No. 6.

MINDANAO.

(Capt. A. R. Cahling.)

She was received on August 21, 1903, and placed under the command of Capt. J. Eaton.

During the month of September, 1903, she made trips to Dagupan with prisoners, guards, and money for the construction of Benguet road.

On September 14 she sailed for the Lanao River for the forestry bureau, and from there to Lucena with the disbursing officer of the census bureau; thence to San Juan de Booboc with Commissioner Legarda and his secretary.

On the 20th she sailed with a large amount of constabulary commissaries and supplies for Calapan, Nasugbu and Lucena, and on the 29th sailed for Iba and Salamatague with 1,000 sacks of rice for the insular purchasing agent.

On October 12 she was ordered on route No. 1 to relieve cutter *Busuanga*, and while at Aparri was caught in the typhoon that was blowing at that time. She proved herself to be a good sea boat and no damage was done to her.

On December 16 while on this detail, off the coast of Zambales, she lost her propeller, but on the following day she was picked up by the coast-guard cutter *Masbate* and towed to Manila. Her passengers were transferred to the coast-guard cutter *Tablas*.

At the beginning of January, 1904, she was at Cañacao Bay waiting to go on the slip. She was hauled out on the 13th, and placed in the water again on the 16th. A propeller having been put on, she was made ready for active service.

On January 22 Captain Eaton was relieved and Captain Cahling was placed in command.

On February 3 she sailed for Laguimanoc, Batangas, with men and materials for the insular purchasing agent, and towed two lighters to Romblon.

On March 24 she was detailed for duty on route No. 10, and on April 15 she relieved the coast-guard cutter *Busuanga* on route No. 8 with headquarters at Zamboanga, where she is still.

SAMAR.

(Capt. Peter Olsen.)

She arrived in Manila Bay on September 18, 1903, and was placed temporarily under the command of Capt. H. C. Reissar, until the 23d, when Capt. John C. Fels of coast-guard cutter *Negros* took charge.

On October 1 she was on duty on route No. 2 until December 5, when at Surigao, she was relieved by coast-guard cutter *Luzon*, taking up route No. 9 with headquarters at Cebu.

While on this run, on January 4, 1904, she sighted a large banca flying distress signals. She towed her to Mambajo, leaving her in charge of the customs authorities.

On the 9th of the same month, while passing Cagayan, she sighted the U. S. army transport *Kingsley* on a reef in Murcielagos Bay. She at once hove to, and the captain was requested to take off the passengers and crew, as the *Kingsley* was rapidly breaking up. All passengers were safely landed at Cagayan, and the *Samar* returned to the wreck to save, if possible, freight and property, but she could do nothing, as the seas were running high. The *Kingsley* was left on the reef and pronounced a total loss.

On the 19th the *Samar* overhauled the schooner *Albertaite* and investigated her papers, which were found regular, and she was allowed to proceed on her way.

On the 20th she was relieved by the coast-guard cutter *Polillo* and returned to Manila over route No. 2, and on the 26th Captain Fels was detailed on shore duty, and Capt. P. Olsen was placed in command.

At the close of the year she is still running on route No. 2.

MINDORO.

(Capt. H. C. Anderson.)

She arrived from Shanghai on September 18, 1903, and was placed under the command of Capt. F. C. Ryer.

On the 24th of September she proceeded to San Fernando de Union for the purpose of bringing to Manila the officials and prisoners connected with the Tompkins trial.

On the 30th she was assigned to duty on route No. 3, relieving the coast-guard cutter *Balabac*.

During the month of October, 1903, she was doing duty on route No. 3, and on the 13th she overtook a native boat at Dalawan Bay acting suspiciously; her papers were examined and found to be regular and she was released at once.

She remained on route No. 3 until February 1, 1904, when she sailed for Iloilo to bring to Manila 100 natives for the Visayan village concession at the St. Louis Fair. After this detail she made one short trip over route No. 3.

On June 21 Captain Ryer resigned and Capt. H. C. Anderson was placed in command.

On the 27th she sailed over route No. 3.

LEYTE.

(Capt. William N. Fisher.)

She arrived in Manila Bay on October 3, 1903, and was placed in command of Capt. William N. Fisher. She was completely fitted out with stores and supplies and assigned to route No. 10.

On her return trip she was detailed on route No. 4, with headquarters at Legaspi, relieving the coast-guard cutter *Polillo*.

On February 24, 1904, she returned to Manila to repair her windlass.

On April 1, while cruising off the east coast of Luzon, she lost her propeller and sailed for Carao Bay for anchorage, sending the first officer in the ship's boat to Tobacco, where he telegraphed for assistance, and the coast-guard cutter *Palawan* was at once dispatched to her relief, returning with her in tow on April 12, 1904.

During May she was anchored in Cañacao Bay waiting to go on the slip, and on the 16th she was hauled out and her propeller and shaft replaced.

On May 25 she went on a trial trip and made ready to go on route No. 2.

On June 1 she sailed for Tacloban and relieved the coast-guard cutter *Balabac* on route No. 7. The end of June finds her still on this run.

PANAY.

(Capt. William N. Murphy.)

This is the last of the five cutters that were built under the second contract by Farnham, Boyd & Co., and arrived at Manila on October 6, 1903, when she was placed under the command of Capt. William N. Murphy.

She was at once fitted out with stores and supplies and detailed on route No. 5, with headquarters at Iloilo. She remained on this route until June 23, 1904, when she arrived in Manila with the crew of the coast-guard launch *Scout*, which was wrecked off Pandan, Antique.

On June 25 she returned to her station at Iloilo and resumed her regular run.

SEAGOING LAUNCHES.

RANGER.

(Capt. Charles W. B. Maddox.)

At the beginning of the fiscal year she was assigned to the constabulary at Cebu. On the 25th of September, 1903, while running between Dumaguete and Tagbilaran, she noticed the American schooner *Esperanza* flying signals of distress. She stopped and found that the schooner was short of drinking water, which was given to her. On the 28th she was ordered to proceed to Zamboanga to report to Colonel Harbord, Philippines Constabulary, for duty.

On October 1, 1903, she was detailed to pursue the launch *Victoria* with the two renegade Philippines Constabulary officers Hermann and Johnson on board. During this detail she touched the following ports: Sandakan, Zamboanga, Isabela, Cagayan, and Sipalay.

At the last-named port she joined the coast-guard cutter *Romblon* under the orders of Colonel Taylor, Philippines Constabulary. Here one of the Philippines Constabulary officers was found dead. From there she returned to Misamis, where the launch *Victoria* was found.

After being relieved from the above detail she returned to her station at Zamboanga.

On January 5, 1904, she was beached at Pollok and had her bottom repaired, and on the 1st of February returned to her old run.

On March 6, 1904, she towed the quartermaster launch *Detroit* up the Cottabato River, her steering gear being out of order.

She remained under the orders of the constabulary at Zamboanga until June 8, when she came to Manila and was given a general overhauling.

ROVER.

(Capt. Charles W. Lauritzen.)

On the 1st of July, 1903, she was at Manila being repaired, and on the 11th was ordered to proceed to Lucena and report to Colonel Bandholtz, Philippine Constabulary, with headquarters at Lucena.

On January 15, 1904, she came to Manila and was given a general overhauling.

On the 30th she returned to her station at Lucena, where she remained until the end of the fiscal year.

SCOUT.

(Wrecked.)

She was one of the oldest launches operated by this division and was assigned to the constabulary with headquarters at Cebu.

On August 12, 1903, she was ordered to report to Colonel Taylor, Philippine Constabulary, at Iloilo.

She remained there until October 4, when she arrived at Manila to be repaired, and on the 12th was placed on the slip and had her bottom repaired, being ready to go to sea again on the 24th.

On the 27th of the same month she returned to her station at Iloilo. On May 20, 1904, she was ordered by Colonel Taylor, Philippine Constabulary, to report to the governor of Samar for a tour of inspection around the island, calling at such ports as the governor directed.

While lying at anchor off Pandan, Antique Province, Panay, and while under the command of Capt. C. R. Croucher, she was wrecked during a typhoon on June 23, 1904, and is a total loss. The boiler, engines, and a great deal of her fittings were saved later by a wrecking party, which was left on the ground. No lives were lost. The officers and crew were brought to Manila on the coast-guard cutter *Panay*.

PITTSBURG

(Out of commission.)

The *Pittsburg* was received by this bureau from the United States Quartermaster Department on March 1, 1903, and after being repaired and supplied with stores was invoiced to the governor of Misamis Province for duty. On account of the expense of maintaining a launch, the province of Misamis was unable to care for her, and consequently, by authority of the civil governor, she was returned to this bureau on July 21, 1903.

She was again fitted out and assigned to duty on route No. 12 with the constabulary, with headquarters at Lucena.

She was returned to Manila on May 1, 1904, for repairs, but on account of the bad condition

of her hull and engines, she was condemned by a board of survey, her crew discharged, and the officers transferred to other coast-guard vessels.

She is now lying behind the breakwater in the basin at Engineer Island.

TROY.

(Master Charles Yarneberg.)

The *Troy* was originally a quartermaster launch and was invoiced to the governor of Cebu. After about six months service she was released and turned over to this bureau, being received by the division of vessels on January 1, 1904.

She was docked on the slip at Cavite Navy-Yard on January 26, and after a general overhauling made ready to go to sea and assigned to duty with the constabulary at Zamboanga, leaving Manila on April 5, 1904.

On arriving at Zamboanga she was assigned to Colonel Harbord, Philippines Constabulary, and has been doing duty with the constabulary on the south coast of Mindanao ever since.

SENTINEL.

(Master J. G. Mussen.)

The *Sentinel* is a stern-wheel river boat, bought from Farnham, Boyd & Co., and detailed to duty on the Cagayan River, with headquarters at Aparri. She makes from three to five trips a month up and down the river, carrying mails, passengers, and freight, connecting with the cutter on route No. 1 at Aparri twice a month.

BAY AND RIVER LAUNCHES.

CUYO.

(Bernabe Viñas, patron.)

The *Cuyo* was formerly the *Basilan* and was turned over by the district commander of Isabela de Basilan on October 1, 1903. This launch was in fairly good condition when received by this bureau. It is used for harbor and river work.

GEORGE TILLEY.

(A. Maringsa, patron.)

This is the only large launch used by the division that can go under the Bridge of Spain, and is largely used for river and harbor work, carrying mail, passengers, and freight from the landing of the captain of the port to the cutters in the harbor.

SUERTE.

(P. Febre, patron.)

This launch has been assigned to the constabulary and is largely used in transporting troops and supplies on the Pasig River, Laguna de Bay, and in Manila Bay.

PASIG.

(Segundo Aslatico, patron.)

The *Pasig* was formerly the *Julia* and was received from the United States Quartermaster Department. She is assigned to duty at the coast-guard machine shops at Engineer Island. She is engaged in carrying the inspector of machinery, workmen, material, etc., from the island to the ships.

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(L. Ayala, patron.)

TENDER.

(E. Alberto, patron.)

These are two small launches used in going from the office of bureau of coast guard and transportation to Engineer Island, and back and forth between the cutters and shore.

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(E. Alberto, patron.)

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COAST-GUARD CUTTER NEGROS.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱20,526.32	Coal consumed.....	tons.. 1,256.63
Subsistence.....	5,078.70	Distance cruised.....	miles.. 21,767
Coal cost and 10 per cent.....	16,644.58	Ports visited.....	240
Supplies cost and 10 per cent.....	9,782.34	Passengers carried.....	1,559
Repairs to hull.....	933.52	Freight carried.....	tons.. 488.40
Repairs to machinery.....	4,696.94	Money carried.....	₱362,728
Pilotage and contingent expense.....	711.40	Mail carried in pouches.....	413
Washing.....	212.46	Mail carried in sacks.....	762
Total.....	58,586.26		

COAST-GUARD CUTTER LUZON.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱22,693.00	Coal consumed.....	tons.. 886.26
Subsistence.....	5,305.16	Distance cruised.....	miles.. 16,028
Coal cost and 10 per cent.....	12,648.94	Ports visited.....	165
Supplies cost and 10 per cent.....	8,411.28	Passengers carried.....	1,291
Repairs to hull.....	2,410.67	Freight carried.....	tons.. 265.23
Repairs to machinery.....	1,660.68	Money carried.....	₱4,590
Pilotage and contingent expense.....	504.72	Mail carried in pouches.....	908
Washing.....	93.20	Mail carried in sacks.....	1,182
Total.....	53,727.65		

COAST-GUARD CUTTER POLILLO.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱22,020.65	Coal consumed.....	tons.. 1,352.20
Subsistence.....	5,370.70	Distance cruised.....	miles.. 22,460
Coal cost and 10 per cent.....	18,307.22	Ports visited.....	215
Supplies cost and 10 per cent.....	9,520.72	Passengers carried.....	1,038
Repairs to hull.....	8,107.66	Freight carried.....	tons.. 240.80
Repairs to machinery.....	281.65	Money carried.....	₱147,699
Pilotage and contingent expense.....	642.70	Mail carried in pouches.....	611
Washing.....	220.74	Mail carried in sacks.....	1,039
Total.....	64,472.04		

COAST-GUARD CUTTER MASBATE.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱21,650.73	Coal consumed.....	tons.. 1,046.80
Subsistence.....	5,153.50	Distance cruised.....	miles.. 20,774
Coal cost and 10 per cent.....	13,298.92	Ports visited.....	179
Supplies cost and 10 per cent.....	9,517.31	Passengers carried.....	1,054
Repairs to hull.....	7,061.97	Freight carried.....	tons.. 346.20
Repairs to machinery.....	1,579.43	Money carried.....	₱144,424
Pilotage and contingent expense.....	521.08	Mail carried in pouches.....	1,024
Washing.....	161.95	Mail carried in sacks.....	1,547
Total.....	58,944.89		

COAST-GUARD CUTTER BUSUANGA

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱21,918.67	Coal consumed.....	tons.. 1,064.60
Subsistence.....	5,477.13	Distance cruised.....	miles.. 19,843
Coal cost and 10 per cent.....	15,282.37	Ports visited.....	146
Supplies cost and 10 per cent.....	8,057.51	Passengers carried.....	837
Repairs to hull.....	2,012.88	Freight carried.....	tons.. 267.40
Repairs to machinery.....	3,192.19	Money carried.....	₱353,422
Pilotage and contingent expense.....	669.35	Mail carried in pouches.....	717
Washing.....	126.62	Mail carried in sacks.....	1,057
Total.....	56,736.72		

COAST-GUARD CUTTER BALABAC.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱22,434.14	Coal consumed.....	tons.. 1,313.56
Subsistence.....	5,373.40	Distance cruised.....	miles.. 20,625
Coal cost and 10 per cent.....	19,603.68	Ports visited.....	281
Supplies cost and 10 per cent.....	8,154.51	Passengers carried.....	1,223
Repairs to hull.....	1,257.96	Freight carried.....	tons.. 269.07
Repairs to machinery.....	2,121.63	Money carried.....	₱111,702
Pilotage and contingent expense.....	851.36	Mail carried in pouches.....	294
Washing.....	127.08	Mail carried in sacks.....	443
Total.....	59,923.76		

COAST-GUARD CUTTER PALAWAN.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P21,968.74	Coal consumed.....	tons.. 1,190.50
Subsistence.....	5,381.52	Distance cruised.....	miles.. 24,102
Coal cost and 10 per cent.....	23,631.65	Ports visited.....	220
Repairs to hull.....	2,461.55	Passengers carried.....	780
Repairs to machinery.....	1,110.63	Freight carried.....	tons.. 117.35
Supplies cost and 10 per cent.....	7,119.67	Money carried.....	P26,468
Pilotage and expenses.....	1,210.24	Mail carried in pouches.....	802
Washing.....	129.28	Mail carried in sacks.....	1,084
Total.....	63,013.28		

COAST-GUARD CUTTER BASILAN.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P22,258.68	Coal consumed.....	tons.. 989
Subsistence.....	5,245.94	Distance cruised.....	miles.. 17,362
Coal cost and 10 per cent.....	11,216.14	Ports visited.....	217
Supplies cost and 10 per cent.....	6,811.71	Passengers carried.....	988
Repairs to hull.....	1,443.94	Freight carried.....	tons.. 184.40
Repairs to machinery.....	672.51	Money carried.....	P284,113
Pilotage and contingent expense.....	625.09	Mail carried in pouches.....	716
Washing.....	200.81	Mail carried in sacks.....	1,579
Total.....	48,174.82		

COAST-GUARD CUTTER TABLAS.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P22,086.02	Coal consumed.....	tons.. 1,028.74
Subsistence.....	4,938.46	Distance cruised.....	miles.. 23,040
Coal cost and 10 per cent.....	15,106.77	Ports visited.....	170
Supplies cost and 10 per cent.....	15,720.72	Passengers carried.....	429
Repairs to hull.....	6,885.65	Freight carried.....	tons.. 64.38
Repairs to machinery.....	697.10	Mail carried in pouches.....	203
Pilotage and contingent expense.....	240.45	Mail carried in sacks.....	393
Washing.....	185.48		
Total.....	65,850.65		

COAST-GUARD CUTTER MINDANAO.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P17,175.10	Coal consumed.....	tons.. 883.23
Subsistence.....	4,093.90	Distance cruised.....	miles.. 14,828
Coal cost and 10 per cent.....	12,200.69	Ports visited.....	157
Supplies cost and 10 per cent.....	11,796.30	Passengers carried.....	701
Repairs to hull.....	457.67	Freight carried.....	tons.. 193.13
Repairs to machinery.....	1,547.13	Money carried.....	P171,934
Pilotage and contingent expense.....	292.30	Mail carried in pouches.....	176
Washing.....	114.04	Mail carried in sacks.....	337
Total.....	47,677.73		

COAST-GUARD CUTTER ROMBLON.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P23,182.00	Coal consumed.....	tons.. 1,011.54
Subsistence.....	5,293.86	Distance cruised.....	miles.. 15,692
Coal cost and 10 per cent.....	12,977.69	Ports visited.....	160
Supplies cost and 10 per cent.....	7,582.63	Passengers carried.....	184
Repairs to hull.....	3,090.37	Freight carried.....	tons.. 452.16
Repairs to machinery.....	3,800.84	Money carried.....	P9,000
Pilotage and contingent expense.....	909.18	Mail carried in pouches.....	210
Washing.....	155.83	Mail carried in sacks.....	333
Total.....	57,082.40		

COAST-GUARD CUTTER MARINDUQUE.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P23,018.88	Coal consumed.....	tons.. 637.31
Subsistence.....	5,893.89	Distance cruised.....	miles.. 8,565
Coal cost and 10 per cent.....	9,651.40	Ports visited.....	301
Supplies cost and 10 per cent.....	5,695.62	Passengers carried.....	704
Repairs to hull.....	1,382.67	Freight carried.....	tons.. 355.70
Repairs to machinery.....	187.36	Money carried.....	P126,631
Pilotage and contingent expense.....	686.99	Mail carried in pouches.....	429
Washing.....	191.17	Mail carried in sacks.....	612
Total.....	46,707.98		

COAST-GUARD CUTTER SAMAR.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P16,068.22	Coal consumed.....	tons.. 1,063.24
Subsistence.....	4,179.34	Distance cruised.....	miles.. 15,543
Coal cost and 10 per cent.....	13,890.33	Ports visited.....	137
Supplies cost and 10 per cent.....	11,172.92	Passengers carried.....	1,038
Repairs to hull.....	2,288.72	Freight carried.....	tons.. 276.79
Repairs to machinery.....	330.38	Money carried.....	P134,505
Pilotage and contingent expense.....	667.52	Mail carried in pouches.....	944
Washing.....	199.88	Mail carried in sacks.....	1,175
Total.....	48,797.31		

COAST-GUARD CUTTER MINDORO.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P17,494.12	Coal consumed.....	tons.. 1,113.02
Subsistence.....	4,164.66	Distance cruised.....	miles.. 22,088
Coal cost and 10 per cent.....	16,257.24	Ports visited.....	306
Supplies cost and 10 per cent.....	7,837.37	Passengers carried.....	698
Repairs to hull.....	256.53	Freight carried.....	tons.. 303.77
Repairs to machinery.....	520.84	Money carried.....	P57,472
Pilotage and contingent expense.....	211.90	Mail carried in pouches.....	377
Washing.....	129.36	Mail carried in sacks.....	479
Total.....	46,902.02		

COAST-GUARD CUTTER LEYTE.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P16,748.70	Coal consumed.....	tons.. 727.63
Subsistence.....	3,887.19	Distance cruised.....	miles.. 14,000
Coal cost and 10 per cent.....	14,056.02	Ports visited.....	163
Supplies cost and 10 per cent.....	8,265.11	Passengers carried.....	775
Repairs to hull.....	238.03	Freight carried.....	tons.. 115.18
Repairs to machinery.....	2,527.15	Money carried.....	P44,475
Pilotage and contingent expense.....	59.20	Mail carried in pouches.....	406
Washing.....	74.04	Mail carried in sacks.....	458
Total.....	45,875.44		

COAST-GUARD CUTTER PANAY.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P16,599.65	Coal consumed.....	tons.. 567.55
Subsistence.....	4,169.59	Distance cruised.....	miles.. 11,395
Coal cost and 10 per cent.....	8,918.20	Ports visited.....	193
Supplies cost and 10 per cent.....	6,273.67	Passengers carried.....	495
Repairs to hull.....	20.00	Freight carried.....	tons.. 110.12
Repairs to machinery.....	326.00	Money carried.....	P34,105
Pilotage and contingent expense.....	295.94	Mail carried in pouches.....	480
Washing.....	131.50	Mail carried in sacks.....	482
Total.....	36,734.96		

COAST-GUARD LAUNCH RANGER.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P11,190.77	Coal consumed.....	tons.. 402.53
Subsistence.....	2,895.07	Distance cruised.....	miles.. 18,625
Coal cost and 10 per cent.....	5,837.06	Ports visited.....	239
Supplies cost and 10 per cent.....	6,259.36	Passengers carried.....	859
Repairs to hull.....	1,518.38	Freight carried.....	tons.. 257.80
Repairs to machinery.....	696.17	Money carried.....	P2,480
Pilotage and contingent expense.....	178.01	Mail carried in pouches.....	127
Washing.....	59.80	Mail carried in sacks.....	280
Total.....	28,635.68		

COAST-GUARD LAUNCH SCOUT.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P11,152.93	Coal consumed.....	tons.. 477.85
Subsistence.....	2,836.18	Distance cruised.....	miles.. 15,596
Coal cost and 10 per cent.....	7,822.02	Ports visited.....	239
Supplies cost and 10 per cent.....	4,000.50	Passengers carried.....	1,171
Repairs to hull.....	67.18	Freight carried.....	tons.. 96.16
Repairs to machinery.....	3,169.33	Mail carried in pouches.....	81
Pilotage and contingent expense.....	498.88	Mail carried in sacks.....	101
Washing.....	60.17		
Total.....	30,207.19		

COAST-GUARD LAUNCH ROVER.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P10,892.97	Coal consumed.....	tons.. 379.99
Subsistence.....	2,844.10	Distance cruised.....	miles.. 14,981
Coal cost and 10 per cent.....	6,365.95	Ports visited.....	190
Supplies cost and 10 per cent.....	5,602.44	Passengers carried.....	619
Repairs to hull.....	564.66	Freight carried.....	tons.. 99.04
Repairs to machinery.....	4,470.96	Mail carried in pouches.....	99
Pilotage and contingent expense.....	196.70	Mail carried in sacks.....	144
Washing.....	8.60		
Total.....	30,946.38		

COAST-GUARD LAUNCH PITTSBURG.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P8,688.58	Coal consumed.....	tons.. 314.57
Subsistence.....	2,228.80	Distance cruised.....	miles.. 11,508
Coal cost and 10 per cent.....	5,474.88	Ports visited.....	130
Supplies cost and 10 per cent.....	6,178.80	Passengers carried.....	553
Repairs to hull.....	1,039.50	Freight carried.....	tons.. 135.30
Repairs to machinery.....	2,459.45	Mail carried in pouches.....	79
Pilotage and contingent expense.....	93.79	Mail carried in sacks.....	74
Washing.....	36.64		
Total.....	26,200.53		

COAST-GUARD LAUNCH TROY.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,757.94	Coal consumed.....	tons.. 43.23
Subsistence.....	725.20	Distance cruised.....	miles.. 2,973
Coal cost and 10 per cent.....	821.54	Ports visited.....	37
Supplies cost and 10 per cent.....	2,653.74	Passengers carried.....	186
Repairs to hull.....	3,227.68	Freight carried.....	tons.. 5.11
Repairs to machinery.....	4,326.92	Mail carried in pouches.....	15
		Mail carried in sacks.....	41
Total.....	15,516.02		

COAST-GUARD LAUNCH SENTINEL.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P7,449.33	Coal consumed.....	tons.. 160.83
Subsistence.....	1,512.46	Distance cruised.....	miles.. 4,313
Coal cost and 10 per cent.....	2,741.64	Ports visited.....	105
Supplies cost and 10 per cent.....	2,773.22	Passengers carried.....	495
Repairs to hull.....	2,403.38	Freight carried.....	tons.. 76.08
Repairs to machinery.....	319.94	Money carried.....	P40,000
Contingent expense.....	238.32	Mail carried in pouches.....	158
Washing.....	5.32	Mail carried in sacks.....	334
Total.....	17,513.61		

COAST-GUARD LAUNCH CUYO.

COST OF MAINTENANCE.		
Pay.....	P3,081.31	
Coal, cost and 10 per cent.....	1,622.71	
Supplies, cost and 10 per cent.....	1,607.25	
Repairs to hull.....	412.51	
Repairs to machinery.....	273.61	
Contingent expenses.....	37.86	
Total.....	7,035.25	

COAST-GUARD LAUNCH GEORGE TILLY.

COST OF MAINTENANCE.		
Pay.....	P4,520.00	
Coal, cost and 10 per cent.....	1,783.77	
Supplies, cost and 10 per cent.....	1,433.32	
Repairs to hull.....	3,633.54	
Repairs to machinery.....	4,697.87	
Total.....	16,068.50	

COAST-GUARD LAUNCH LEADER.

COST OF MAINTENANCE.		
Pay.....	P66.98	
Supplies, cost and 10 per cent.....	257.04	
Repairs to hull.....	41.44	
Repairs to machinery.....	325.26	
Total.....	690.72	

COAST-GUARD LAUNCH SUERTE.

COST OF MAINTENANCE.

Pay.....	₱3,502.66
Coal, cost and 10 per cent.....	1,755.50
Supplies, cost and 10 per cent.....	987.32
Repairs to hull.....	83.65
Repairs to machinery.....	235.60
Contingent expenses.....	59.55
Total.....	6,624.37

COAST-GUARD LAUNCH PEPE.

COST OF MAINTENANCE.

Pay.....	₱2,160.00
Coal, cost and 10 per cent.....	583.96
Supplies, cost and 10 per cent.....	658.23
Repairs to hull.....	344.30
Repairs to machinery.....	528.91
Total.....	4,275.40

COAST-GUARD LAUNCH TENDER.

COST OF MAINTENANCE.

Pay.....	₱1,919.99
Supplies, cost and 10 per cent.....	535.71
Coal, cost and 10 per cent.....	376.57
Repairs to hull.....	139.57
Repairs to machinery.....	24.79
Total.....	2,996.63

COAST-GUARD LAUNCH PASIG.

COST OF MAINTENANCE.

Pay.....	₱1,659.98
Coal, cost and 10 per cent.....	196.59
Supplies, cost and 10 per cent.....	395.88
Repairs to hull.....	2,190.46
Repairs to machinery.....	53.32
Total.....	4,406.23

Recapitulation of the coast-guard fleet.

Vessel.	Cost of main- tenance.	Ordnance and 10 per cent.	Total cost of vessels.
Negros.....	₱58,586.26	₱5,621.88	₱64,208.14
Luzon.....	53,727.65	8,982.86	62,710.51
Polillo.....	64,472.04	6,358.79	70,830.83
Masbate.....	58,944.89	6,358.37	65,303.26
Busuanga.....	56,736.72	6,561.26	63,297.98
Balabac.....	59,923.76		59,923.76
Palawan.....	63,013.28	6,561.26	69,574.03
Basilan.....	48,474.82	8,948.21	57,423.03
Romblon.....	57,082.42		57,082.42
Tablas.....	65,850.65	8,982.86	74,833.51
Marinduque.....	46,707.98		46,707.98
Mindanao.....	47,677.73	9,067.63	56,745.36
Samar.....	48,797.31	11,954.48	60,751.79
Mindoro.....	46,902.02	5,708.00	52,610.02
Leyte.....	45,875.44	6,414.80	52,290.24
Panay.....	36,734.96		36,734.96
	859,507.93	91,520.40	951,028.33
LAUNCHES—SEAGOING.			
Ranger.....	28,635.68		28,635.68
Scout.....	30,207.19		30,207.19
Rover.....	30,946.38		30,946.38
Pittsburg.....	26,200.53		26,200.53
Sentinel.....	17,543.61		17,543.61
Troy.....	11,920.38		11,920.38
	145,453.77		145,453.77

Recapitulation of the coast-guard fleet—Continued.

Vessel.	Cost of main-tenance.	Ordnance and 10 per cent.	Total cost of vessels.
LAUNCHES—BAY AND RIVER.			
Cuyo.....	₱7,035.25		₱7,035.25
George Tilly.....	16,418.95		16,418.95
Suerte.....	6,624.37		6,624.37
Leader.....	690.72		690.72
Pepe.....	4,275.40		4,275.40
Tender.....	2,996.63		2,996.63
Pasig.....	4,406.23		4,406.23
	42,447.55		42,447.55
Total.....			1,138,929.65

WORK PERFORMED.

Distance cruised.....	miles..	356,948
Ports visited.....		4,176
Passengers carried:		
First-class.....		7,502
Second-class.....		7,649
Freight carried.....	tons..	5,471.91
Money carried.....		₱5,337,472.10
Mail carried in pouches.....		9,252
Mail carried in sacks.....		13,823

VALUATION.

Value of all freight, passengers, money, and mail carried, in accordance with commercial rates now existing for coastwise trade:		
Money carried by all coast-guard vessels, ₱5,337,472.10; charges, 0.0025 per cent.....		₱13,343.68
Passengers, freight, and mail carried.....		350,705.50
Coast-guard vessels chartered, presumably during the twelve months ending June 30, 1904, 1,071 days, at ₱200 per day.....		214,200.00
Total.....		578,249.18

Respectfully submitted.

FRANK P. HELM,
Marine Superintendent.

BUREAU OF COAST GUARD AND TRANSPORTATION,
DIVISION OF VESSELS,
Manila, P. I., September 20, 1904.

Commander J. M. HELM, U. S. Navy,
Chief of Bureau of Coast Guard and Transportation, Manila, P. I.

SIR: I have the honor to submit herewith supplement to the annual report for the fiscal year 1904, covering the period from July 1 to August 31, inclusive.

COAST-GUARD FLEET.

The vessels of this division were employed and located on August 31 as shown below:

CUTTERS.

Duty.	Name.	Location.	Duty.	Name.	Location.
Route 1.....	Masbate.....	Manila.	Route 6.....	Marinduque..	Cebu.
Route 2.....	Polillo.....	Do.	Route 7.....	Leyte.....	Catbalogan.
Route 3.....	Mindoro.....	Halsey Harbor.	Route 8.....	Busuanga.....	Zamboanga.
Route 4.....	Balabac.....	Manila.	Route 9.....	Samar.....	Cebu.
Route 5.....	Panay.....	San José.	Route 10.....	Mindanao.....	Do.

Cutters on special duty.—Negros, on duty with the constabulary bureau under Captain Dade, U. S. Army, inspector-general of constabulary, in connection with the Pulajanes uprising on the island of Samar. Luzon, returned from a trip to Iloilo, where she took on board laborers for the Benguet road. Basilan, finishing her repairs at Manila and getting ready for duty on route No. 2. Palawan, returned from a trip to Iloilo, from where she

transported laborers for the Benguet road to Dagupan. *Tablas*, with a special agent of the bureau of customs on board, is assigned to duty in the Sulu Archipelago.

Seagoing launches.—*Ranger*, assigned to the constabulary bureau, under Colonel Harbord, Philippines Constabulary, at Zamboanga. *Rover*, assigned to the constabulary bureau, under Colonel Rivers, Philippines Constabulary, at Lucena. *Troy*, assigned to the constabulary bureau at Zamboanga, under Colonel Harbord, Philippines Constabulary. *Pittsburg*, at Manila out of commission.

Sentinel, stern-wheel, on duty on route No. 11, with headquarters at Aparri, operating on the Rio Grande de Cagayan.

Harbor launches.—*Cuyo*, *George Tilly*, *Tender*, *Pepe*, engaged in river and harbor work. *Pasig*, assigned to the inspector of machinery, Engineer Island. *Suerte*, assigned to the constabulary bureau, engaged in carrying troops and supplies on Manila Bay, Pasig River, and Laguna de Bay. *Leader*, assigned to the chief quarantine officer of the Philippine Islands for use in the quarantine service at Manila.

NEGROS.

(Capt. H. C. Reissar.)

On the 7th of July the *Negros* went on the slip at Canacao and had her shaft and propeller examined, her bottom recoppered, and a new shaft put in.

On the 12th instant she was taken off the slip, and after her trial trip on the 14th was found to be in first-class condition.

On July 20 she sailed from Manila to Pasacao with 70 Philippine constabulary soldiers and officers.

On the 22d, while returning to Manila she sighted the American schooner *Lilibonne* flying distress signals, and on boarding her found that her rudder was unshipped, so towed her to Romblon.

On July 24 she was assigned to duty in the third constabulary district, with headquarters at Iloilo, under Captain Dade, U. S. Army, adjutant-general Philippines constabulary, and is doing duty in connection with the Pulajanes uprising in Leyte and Samar.

During August she carried troops and supplies to and from Iloilo and other places of the district. She has given good service to the constabulary.

LUZON.

(Capt. John Foster.)

At the beginning of the fiscal year she was at Canacao Bay awaiting to go on the slip.

From the 9th to the 12th of July she was on the dock, and had her shaft and propeller examined and some copper renewed: a new shaft was put in.

On the 7th she sailed over route No. 3, and returned to Manila on the 30th of July.

On August 3 she again sailed over route No. 3, and returned to Manila on the 14th.

On the 16th she proceeded to Iloilo to transport laborers for the Benguet road, and on the 21st she landed 409 laborers, including women and children, at Dagupan, and returned to Manila on the 22d.

On the 25th she sailed to Ormoc, carrying 50 Philippine constabulary soldiers and officers, and returned to Manila on the 29th.

This cutter also carried, under Act 1090, nonofficial passengers and freight.

POLILLO.

(Capt. Philip Leblond.)

On July 1 she left Cebu for Manila with Roman Catholic Bishop Hendricks on board, by order of the civil governor, and arrived at Manila on July 3. She returned on the 5th instant to her regular station on route No. 9.

On the 19th of August she was relieved by the coast guard cutter *Samar*, and returned to Manila over route No. 2. She went to Canacao to be repaired and to have her shaft and propeller examined.

The end of August finds her at anchor in Canacao Bay waiting her turn to go on the slip.

MASBATE.

(Capt. T. F. Stewart.)

On July 1 this cutter sailed on route No. 1. On account of the typhoon weather, she was unable to land freight at Iba, Candon, Vigan, or Laoag, and same had to be returned to Manila. On August 15 she again sailed on this run, and stopped at Cape Engano and changed light-house keepers. She returned to Manila on the 25th, and was assigned to duty as guard cutter.

BUSUANGA.

(Capt. F. M. White.)

On July 1 this cutter was made ready to go to sea on route No. 10, relieving the coast guard cutter *Basilan*. During August she made two trips over this route, and on the 30th she relieved the coast guard cutter *Mindanao*, at Zamboanga, on route No. 8.

BALABAC.

(Capt. Peter J. P. Schoon.)

On July 1 this cutter was detailed as guard ship at Manila. On the 2d she made a special trip to Taal with the honorable secretary of the interior, Dean C. Worcester, Doctor Freer, Mr. McCasky, and Doctor Barrows, returning to Manila on the 5th. She resumed duty as guard ship until the 12th, when she proceeded to Canacao Bay to go on the slip. From the 14th to the 21st she remained on the ways and had her tail shaft and propeller examined. A new tail shaft was put in. On the 27th she returned to Manila and made ready to go on route No. 4, relieving the coast guard cutter *Palawan*.

On August 4 she sailed over route No. 4. On the 17th at daylight she left Baler in search of the sloop *San Louis*, which had put to sea with Lieutenant Metcalf, Philippines constabulary, several scouts, and a crew of four men. She found the *San Louis* about noon 30 miles off Casiguran in a helpless condition, gradually breaking up, and the occupants without food or water. Although a strong gale was blowing, everybody on board was saved, and the sloop towed to Baler. During the trip she carried Colonel Rivers, Philippines constabulary, and party on a tour of inspection along the east and south coasts of Luzon. She returned to Manila on August 25.

PALAWAN.

(Capt. Wm. de C. Wetherell.)

On July 1 the *Palawan* was at Cavite undergoing minor repairs. On the 6th she was made ready for sea, and sailed over route No. 4. On the 26th she called at Batan Island for coal from the government coal mines, but as the mines were closed, was unable to get any. She returned to Manila on the 29th.

On August 6 she sailed with a cargo of dynamite and other freight to Laguimanoc, Unisan, and Mulanay, returning to Manila on the 10th. On the 11th she sailed to Pasacao, where she got 50 Philippines constabulary soldiers and took them to Catbalogan, returning to Manila via Lucena. On the 19th she sailed for Iloilo to transport 123 laborers to Dagupan for the Benguet road. She landed them, together with 4 American foremen, on the 23d.

Until the end of the month she remained in Manila detailed as guard ship.

BASILAN.

(Capt. Thomas A. Hilgrove.)

This cutter was on route No. 10 until July 11, when she was detailed to special duty, leaving Manila with a party of engineers for Boac, Capiz, and Calivo, and returning to Manila on the 18th. On the 21st she sailed with passengers and freight for Capones Island and Dagupan. On the 27th she again made a trip to Dagupan with 50 tons of dynamite for the Benguet road.

On August 9 she proceeded to Canacao Bay to go on dry dock. From the 10th to the 15th she was on the slip; her tail shaft and propeller were taken out and repaired, her bottom was partly recoppered and decks calked. She returned to Manila on the 18th, and on the 27th received orders to go on route No. 2.

TABLAS.

(Capt. James Miller.)

On July 1 the *Tablas* took 2 officers and 20 soldiers aboard at Jolo and proceeded to Siasi to search for contraband, but found none. On the 11th she arrived at Bongao. On the 19th she seized in Sibutu Passage a sloop with a large amount of goods from Sandakan, this cargo being the most valuable yet seized. On the 24th a party of sailors from the *Tablas*, under the command of the first officer and the customs inspector, landed at Cagayan, Sulu. On the approach of the boat the party was fired on by a band of Moros. Three of the sailors were wounded and the ship's boat riddled with bullets. The *Tablas* immediately returned to Jolo and reported the attack to the civil governor, who ordered two companies of troops

and 5 officers to the scene of the attack. On the 26th the troops were landed, and firing commenced at once. The Moros were fortified in a "Cotta" which, after some fighting, was taken. It was found that 24 Moros were killed. On the 28th she returned to Jolo to coal and to clean ship.

While at Jolo, a captured sapit was fitted up for work in connection with the *Tablas*, and on August 8 she went on a cruise south of Tawi, towing the sapit. Owing to heavy weather during all of this month very few native boats ventured to leave Borneo, and in consequence there was very little smuggling done. On the 30th she returned to Zamboanga to consult with Governor Wood relative to licensing Moro boats and authority to enforce the law in that respect.

MARINDUQUE.

(Capt. John C. Henschien.)

During July and August this cutter was on duty on route No. 6.

On June 29 the chief of the bureau of coast guard and transportation was requested by the director of posts to allow a post-office inspector who was on duty on the island of Cebu to go on the *Marinduque* so as to establish post-offices in all organized municipalities. The chief of this bureau accordingly directed the captain of the *Marinduque* to afford the post-office inspector every facility.

On August 14 this bureau received a wire from the commanding officer at Cebu requesting the use of the *Marinduque* to search for the quartermaster launch *Chicago*, which had left Ormoc on the morning of the 12th. On receipt of this request the chief of the bureau ordered the *Marinduque* to look for the missing launch. On the 16th the *Marinduque* found the launch all well at Ormoc. The *Chicago* having put to sea was obliged to return to Ormoc for safety on account of the heavy weather.

MINDANAO.

(Capt. A. R. Cahling.)

During the months of July and August this cutter remained on route No. 8, with headquarters at Zamboanga. On August 15 she was relieved by the cutter *Busuanga* and returned to Manila over route No. 10.

SAMAR.

(Capt. Peter Olsen.)

During the month of July this cutter was on duty on route No. 2. On the 30th while on duty as guard ship at Manila she assisted the steamship *Afghanistan*, which, on account of the typhoon, was being blown against the wall of the breakwater.

On August 1 and 18 she made trips on route No. 2. On the 19th while at Surigao she relieved the cutter *Polillo* on route No. 6.

MINDORO.

(Capt. H. C. Anderson.)

At the beginning of July this cutter was at Culion, on duty on route No. 3, and returned to Manila on the 8th. On the 13th she was at Cañacao waiting to go on the slip to have her propeller and shaft examined. She remained at Cañacao for the rest of the month.

From the 8th to the 10th of August she was on the dry dock. Her propeller and shaft were examined, bottom partly recoppered, and decks calked. On the 20th she left Manila for a trip over route No. 3. On this trip she carried a large amount of freight for the custom-house which is being constructed at Balabac. During August the *Mindoro* received (under Act 1090) the following amounts of money for passengers and freight: Passengers, ₱262.50; freight, ₱40.17. On August 31 the *Mindoro* was at Halsey Harbor.

LEYTE.

(Capt. William N. Fisher.)

During July and August this cutter has been on duty on route No. 7, where she will remain for some time.

PANAY.

(Capt. William M. Murphy.)

On July 1 we find this cutter at Pandan, where the coast guard launch *Scout* was wrecked. She took aboard all the property that could be saved and the crew of the *Scout*, and then

sailed for Manila over route No. 5. She sailed from Manila again over route No. 5 on the 13th, and while running between Concepcion and Iloilo, off Balbayan Island, she sighted a vessel flying signals of distress. On examination the vessel was found to be the launch *Petro* (of which Lizarraga Hermanos, of this city, are the owners), en route to Iloilo, but weather-bound off the coast of Panay on account of the typhoon. The *Panay* supplied her with 23 sacks of coal.

On August 31 the *Panay* was at San Jose, en route to Manila.

RANGER.

(Capt. C. W. B. Maddox.)

At the beginning of July the *Ranger* was at Engineer Island undergoing repairs. From the 12th to the 23d she was on the slip at Cañacao Bay. On the 27th she sailed from Manila to report to Colonel Harbord, Philippines Constabulary, at Zamboanga, where she is to remain for some time.

On the recommendation of Colonel Harbord, the *Ranger* was fitted up with a Gatling gun, which she received and mounted on August 30.

ROVER.

(Capt. Charles W. Lauritzen.)

This launch has been assigned to the constabulary at Lucena, under orders of Colonel Rivers, Philippines Constabulary.

TROY.

(Capt. George Mansfield.)

Ever since her arrival at Zamboanga, this vessel has been assigned to Colonel Harbord, Philippines Constabulary.

SENTINEL.

(Capt. John G. Mussen.)

This stern-wheel river boat is stationed at Aparri on route No. 2, operating on the Rio Grande de Cagayan inland from Aparri.

COAST GUARD CUTTER NEGROS.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱3,217.28	Coal consumed.....	tons.. 132.81
Subsistence.....	864.50	Distance cruised.....	miles.. 2879
Coal cost and 10 per cent.....	2,134.57	Ports visited.....	22
Supplies cost and 10 per cent.....	235.70	Passengers carried.....	284
Repairs to hull.....	20.52	Freight carried.....	tons.. 33.66
Pilotage and contingent expense.....	115.20	Mail carried in pouches.....	10
Washing.....	16.80	Mail carried in sacks.....	5
Total.....	7,164.57		

COAST GUARD CUTTER LUZON.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱3,826.32	Coal consumed.....	tons.. 183.96
Subsistence.....	918.60	Distance cruised.....	miles.. 4,904
Coal cost and 10 per cent.....	1,674.75	Ports visited.....	29
Supplies cost and 10 per cent.....	668.78	Freight carried.....	tons.. 60.46
Repairs to hull.....	1,256.90	Passengers carried.....	684
Repairs to machinery.....	544.19	Money carried.....	₱166,908
Pilotage and contingent expense.....	28.80	Mail carried in pouches.....	36
Washing.....	12.24	Mail carried in sacks.....	120
Total.....	8,930.58		

COAST-GUARD CUTTER POLILLO.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	₱3,747.26	Coal consumed.....	tons.. 215.83
Subsistence.....	924.00	Distance cruised.....	miles.. 3,803
Coal cost and 10 per cent.....	4,718.73	Ports visited.....	56
Supplies cost and 10 per cent.....	1,504.99	Passengers carried.....	191
Repairs to machinery.....	78.67	Freight carried.....	tons.. 15.59
Pilotage and contingent expense.....	44.25	Money carried.....	₱89,609
Washing.....	35.60	Mail carried in pouches.....	64
Total.....	11,053.50	Mail carried in sacks.....	128

COAST-GUARD CUTTER MASBATE.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,744.66	Coal consumed.....	tons.. 159.64
Subsistence.....	909.80	Distance cruised.....	miles.. 3,730
Coal cost and 10 per cent.....	2,590.72	Ports visited.....	61
Supplies cost and 10 per cent.....	1,480.27	Passengers carried.....	265
Repairs to hull.....	138.99	Freight carried.....	tons.. 82.38
Repairs to machinery.....	114.24	Money carried.....	P219,258
Pilotage and contingent expense.....	41.20	Mail carried in pouches.....	94
Total.....	9,020.18	Mail carried in sacks.....	150

COAST-GUARD CUTTER BUSUANGA.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,764.14	Coal consumed.....	tons.. 197.83
Subsistence.....	967.20	Distance cruised.....	miles.. 5,250
Coal cost and 10 per cent.....	2,337.92	Ports visited.....	36
Supplies cost and 10 per cent.....	3,223.60	Passengers carried.....	141
Repairs to hull.....	130.86	Freight carried.....	tons.. 127.27
Repairs to machinery.....	38.26	Money carried.....	P436,551
Pilotage and contingent expense.....	13.60	Mail carried in pouches.....	58
Washing.....	12.30	Mail carried in sacks.....	211
Total.....	10,417.88		

COAST-GUARD CUTTER BALABAC.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,674.65	Coal consumed.....	tons.. 126.98
Subsistence.....	499.20	Distance cruised.....	miles.. 2,259
Coal cost and 10 per cent.....	2,013.18	Ports visited.....	34
Supplies cost and 10 per cent.....	1,752.65	Passengers carried.....	109
Repairs to hull.....	2,912.00	Freight carried.....	tons.. 37.44
Repairs to machinery.....	680.44	Money carried.....	P25,845
Washing.....	53.38	Mail carried in pouches.....	48
Total.....	11,995.50	Mail carried in sacks.....	41

COAST-GUARD CUTTER PALAWAN.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,807.32	Coal consumed.....	tons.. 193.08
Subsistence.....	877.30	Distance cruised.....	miles.. 4,582
Coal cost and 10 per cent.....	2,488.70	Ports visited.....	32
Supplies cost and 10 per cent.....	3,179.85	Passengers carried.....	tons.. 19.54
Repairs to hull.....	112.50	Money carried.....	P37,279
Repairs to machinery.....	112.86	Mail carried in pouches.....	53
Pilotage and contingent expense.....	8.80	Mail carried in sacks.....	79
Total.....	10,617.33		

COAST-GUARD CUTTER BASILAN.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,620.63	Coal consumed.....	tons.. 110
Subsistence.....	893.79	Distance cruised.....	miles.. 2,735
Coal cost and 10 per cent.....	3,132.42	Ports visited.....	25
Supplies cost and 10 per cent.....	604.10	Passengers carried.....	29
Repairs to hull.....	1,269.56	Freight carried.....	tons.. 82.95
Repairs to machinery.....	351.86	Money carried.....	P6,086
Pilotage and contingent expense.....	15.20	Mail carried in pouches.....	14
Washing.....	33.00	Mail carried in sacks.....	99
Total.....	10,010.56		

COAST-GUARD CUTTER TABLAS.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,801.98	Coal consumed.....	tons.. 151.51
Subsistence.....	871.60	Ports visited.....	34
Coal cost and 10 per cent.....	2,268.20	Distance cruised.....	miles.. 3,138
Supplies cost and 10 per cent.....	631.14	Passengers carried.....	52
Total.....	7,572.92	Mail carried in pouches.....	1
		Mail carried in sacks.....	7

COAST-GUARD CUTTER MARINDUQUE.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,811.95	Coal consumed.....	tons.. 125
Subsistence.....	932.60	Distance cruised.....	miles.. 2,220
Coal cost and 10 per cent.....	1,631.85	Ports visited.....	72
Supplies cost and 10 per cent.....	315.23	Passengers carried.....	98
Repairs to machinery.....	29.60	Freight carried.....	tons.. 133.71
Pilotage and contingent expense.....	68.62	Money carried.....	P32,038
Washing.....	15.76	Mail carried in pouches.....	88
Total.....	6,895.61	Mail carried in sacks.....	37

COAST-GUARD CUTTER MINDANAO.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,761.89	Coal consumed.....	tons.. 236.98
Subsistence.....	931.60	Distance cruised.....	miles.. 6,042
Coal cost and 10 per cent.....	5,336.43	Ports visited.....	47
Supplies cost and 10 per cent.....	825.56	Passengers carried.....	236
Repairs to hull.....	99.68	Money carried.....	P337,730
Repairs to machinery.....	10.34	Freight carried.....	tons.. 72.19
Washing.....	28.26	Mail carried in pouches.....	47
Total.....	10,063.76	Mail carried in sacks.....	310

COAST-GUARD CUTTER SAMAR.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,667.30	Coal consumed.....	tons.. 196.36
Subsistence.....	908.60	Distance cruised.....	miles.. 4,913
Coal cost and 10 per cent.....	2,834.40	Ports visited.....	51
Supplies cost and 10 per cent.....	2,224.00	Passengers carried.....	277
Repairs to hull.....	120.08	Freight carried.....	tons.. 188.30
Pilotage and contingent expense.....	21.80	Money carried.....	P271,533
Washing.....	27.06	Mail carried in pouches.....	125
Total.....	9,866.24	Mail carried in sacks.....	204

COAST-GUARD CUTTER MINDORO.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,737.82	Coal consumed.....	tons.. 112.61
Subsistence.....	870.60	Distance cruised.....	miles.. 2,375
Coal cost and 10 per cent.....	1,025.61	Ports visited.....	38
Supplies cost and 10 per cent.....	1,755.08	Passengers carried.....	191
Repairs to hull.....	423.22	Freight carried.....	tons.. 66.30
Repairs to machinery.....	64.00	Money carried.....	P68,844
Total.....	7,876.45	Mail carried in pouches.....	26
		Mail carried in sacks.....	28

COAST-GUARD CUTTER LEYTE.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,798.65	Coal consumed.....	tons.. 167.58
Coal cost and 10 per cent.....	1,182.37	Distance cruised.....	miles.. 2,233
Subsistence.....	467.70	Ports visited.....	56
Supplies cost and 10 per cent.....	497.66	Freight carried.....	tons.. 22.22
Pilotage and contingent expense.....	1.50	Passengers carried.....	200
Washing.....	9.24	Mail carried in pouches.....	63
Total.....	5,957.12	Mail carried in sacks.....	73

COAST-GUARD CUTTER PANAY.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P3,871.56	Coal consumed.....	tons.. 150.57
Subsistence.....	897.50	Distance cruised.....	miles.. 4,993
Coal cost and 10 per cent.....	5,501.92	Ports visited.....	52
Supplies cost and 10 per cent.....	3,884.19	Passengers carried.....	222
Repairs to machinery.....	11.07	Freight carried.....	tons.. 49.53
Pilotage and contingent expense.....	82.50	Money carried.....	P15,977
Washing.....	18.97	Mail carried in pouches.....	40
Total.....	11,267.71	Mail carried in sacks.....	85

COAST-GUARD LAUNCH RANGER.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P1,776.46	Coal consumed.....	tons.. 64.57
Subsistence.....	471.30	Distance cruised.....	miles.. 2,633
Coal cost and 10 per cent.....	1,214.78	Ports visited.....	25
Supplies cost and 10 per cent.....	1,369.06	Passengers carried.....	28
Repairs to hull.....	672.23	Freight carried.....	tons.. 4.13
Repairs to machinery.....	1,854.26	Money carried.....	P497
Pilotage and contingent expense.....	23.40	Mail carried in pouches.....	3
Total.....	7,381.49	Mail carried in sacks.....	2

COAST-GUARD LAUNCH ROVER.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P1,634.00	Coal consumed.....	tons.. 87.71
Subsistence.....	483.60	Distance cruised.....	miles.. 2,850
Coal cost and 10 per cent.....	926.11	Ports visited.....	48
Supplies cost and 10 per cent.....	187.07	Passengers carried.....	79
Repairs to hull.....	8.18	Freight carried.....	tons.. 32.95
Repairs to machinery.....	7.15	Mail carried in pouches.....	7
Pilotage and contingent expense.....	4.80	Mail carried in sacks.....	4
Washing.....	6.60		
Total.....	3,457.51		

COAST-GUARD LAUNCH TROY.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P1,170.00	Coal consumed.....	tons.. 63.66
Subsistence.....	287.80	Distance cruised.....	miles.. 4,189
Coal cost and 10 per cent.....	1,223.37	Ports visited.....	30
Pilotage and contingent expense.....	29.00	Freight carried.....	tons.. 1.05
Total.....	2,710.17	Mail carried in sacks.....	12

COAST-GUARD LAUNCH SENTINEL.

COST OF MAINTENANCE.		WORK PERFORMED.	
Pay.....	P1,230.00	Coal consumed.....	tons.. 54.19
Subsistence.....	282.10	Distance cruised.....	miles.. 1,397
Coal cost and 10 per cent.....	805.46	Ports visited.....	27
Supplies cost and 10 per cent.....	177.52	Freight carried.....	tons.. 58.27
Repairs to hull.....	14.75	Money carried.....	P135,667
Pilotage and contingent expense.....	74.88	Mail carried in pouches.....	143
Washing.....	5.32	Mail carried in sacks.....	146
Total.....	2,500.03		

COAST-GUARD LAUNCH CUYO.

Pay.....	P723.99
Coal cost and 10 per cent.....	663.43
Supplies cost and 10 per cent.....	65.84
Repairs to hull.....	238.56
Repairs to machinery.....	637.02
Total.....	2,268.84

COAST-GUARD LAUNCH GEORGE TILLY.

Pay.....	P600.00
Coal cost and 10 per cent.....	123.82
Supplies cost and 10 per cent.....	153.69
Total.....	877.51

COAST-GUARD LAUNCH LEADER.

Supplies cost and 10 per cent.....	P63.01
Repairs to machinery.....	9.00
Total.....	72.01

COAST-GUARD LAUNCH SUERTE.

Pay.....	P573.28
Coal cost and 10 per cent.....	63.62
Supplies cost and 10 per cent.....	84.75
Total.....	721.65

COAST-GUARD LAUNCH PEPE.

Pay.....	₱346.64
Coal cost and 10 per cent.....	181.37
Supplies cost and 10 per cent.....	66.27
Repairs to hull.....	8.50
Repairs to machinery.....	51.35
Total.....	654.13

COAST-GUARD LAUNCH TENDER.

Pay.....	₱306.64
Coal cost and 10 per cent.....	96.39
Supplies cost and 10 per cent.....	24.24
Total.....	427.27

COAST-GUARD LAUNCH PASIG.

Pay.....	₱306.64
Coal cost and 10 per cent.....	43.25
Supplies cost and 10 per cent.....	5.00
Total.....	354.89

Recapitulation of the coast-guard and transportation fleet.

Vessel.	Cost of maintenance	Ordnance and 10 per cent.	Total cost of vessel.
Negros.....	₱7,164.57	₱2,965.60	₱10,130.17
Luzon.....	8,930.58		8,930.58
Polillo.....	11,053.50		11,053.50
Masbate.....	9,020.18		9,020.18
Busuanga.....	10,417.88		10,417.88
Balahac.....	11,995.50	6,730.21	18,725.71
Palawan.....	10,617.33	36.96	10,654.29
Bacilan.....	10,010.56		10,010.56
Tablas.....	7,572.92	42.90	7,615.82
Marinduque.....	6,805.61	3,088.64	9,894.25
Mindanao.....	11,063.76		11,063.76
Samar.....	9,806.24		9,806.24
Mindoro.....	7,876.45	3,069.20	10,945.65
Leyte.....	5,957.12		5,957.12
Panay.....	11,267.71		11,267.71
	139,559.91	15,963.51	155,523.42
LAUNCHES—SEA-GOING.			
Ranger.....	7,381.49	3,110.03	10,491.52
Rover.....	3,457.51		3,457.51
Troy.....	2,710.17		2,710.17
Sentinel.....	2,590.03		2,590.03
	16,139.20	3,110.03	19,249.23
LAUNCHES—BAY AND RIVER.			
Cuyo.....	2,268.84		2,268.84
George Tilly.....	877.51		877.51
Leader.....	72.01		72.01
Suerte.....	721.65		721.65
Pepe.....	654.13		654.13
Tender.....	427.27		427.27
Pasig.....	354.89		354.89
	5,376.30		5,376.30
Total.....			180,148.95

WORK PERFORMED.

Distance cruised.....	miles..	66,225
Ports visited.....		775
Passengers carried.....		4,022
Freight carried.....	tons..	1,087.91
Money carried.....		₱1,987,722
Mail carried in pouches.....		920
Mail carried in sacks.....		1,750

Very respectfully,

FRANK P. HELM, *Marine Superintendent.*

REPORT OF THE COAST-GUARD CUTTER TABLAS.

JOLO, P. I., July 18, 1904.

Commander J. M. HELM, U. S. Navy,
Chief of Bureau, Coast Guard and Transportation, Manila.

SIR: I have the honor to submit the following report of the work done by the coast-guard cutter *Tablas* while on special duty with the customs service.

Left Manila on January 10 with instructions to proceed to the Jolo Archipelago and endeavor to break up the smuggling going on there. En route, called at Puerto Princesa, Cape Melville, and Sandakan, BNB., Special Agent McDonald being on board to represent the customs service.

On 12th arrived at Puerto Princesa, landed mail and proceeded to Cape Melville with supplies for the light-house; 14th left for Sandakan, BNB., arriving next day. Interviewed acting governor and commissioner of customs and other officials, who assured us their cordial assistance in our work. It is learned that very little smuggling is done from here at this season, as the winds are contrary to the small boats making these trips, but with the beginning of the southwest monsoon there will be a lot of it done as is usual with favorable wind.

Left Sandakan on 16th and proceeded to Jolo for the purpose of locating the customs cutter *Sanderling* with Coast District Inspector Shaw, who understands the situation in regard to smuggling going on. Arrived at Jolo on the 17th and left at once for Siassi, where Inspector Shaw was taken on board; then proceeded to Bongao, where a detail of 20 soldiers was taken aboard for the purpose of searching several islands of the Tawi-Tawi group for dutiable goods. On the 20th proceeded to the island of Balimbing and sent party to search the island of Baun; proceeded to Simonor Island same day and searched the place but nothing of a dutiable nature was found anywhere; proceeded to Tandubas and searched the whole island; found the natives here very hostile. Nothing found here, but got information of a lot of tobacco at South Ubian; 21st arrived at Ubian and sent party to search the island. It is evident that a large shipment of tobacco had been on the island but has since been transhipped in vintas, as nothing was found; 22d returned to Bongao and landed soldiers there; then proceeded to Siassi and Jolo. Arrived in Jolo on the 23d and upon request of the governor took about 100 soldiers as part of a military expedition to the island of Pata, also to search for dutiable goods; 24th patroled the island of Pata in cooperation with U. S. S. *Annapolis* and seized several vintas who were trying to escape with people wanted by the military authorities. Same night took on party of soldiers and returned to Jolo; 26th proceeded to Sandakan and conferred with Secret Agent Lambeth and then proceeded to the island of Cagayan de Jolo to clear up some customs matters; 28th left for Jolo and Zamboanga, arriving on the 30th—the latter in accordance with instructions received. Coaled ship at Zamboanga. Distance steamed during period, 2,618 miles; coal consumed, 119 tons.

February.—Remained at Zamboanga on the 1st to consult with Moro council in reference to licensing of Moro boats. Left 9 p. m. for Jolo, where Collector of Customs Hill was taken on board for Bongao. On the way stopped at Siassi and arrived at Bongao on the 3d; proceeded to Sandakan and returned to Bongao on the 6th. Special agent proceeded to Sitanki, where duty was assessed on goods amounting to \$391 United States currency, and the people instructed that all goods must pass through the customs-house at Bongao. Captain Hunt, commanding officer of Bongao, was taken to Lahut Dato (Darvel Bay) on the 9th to investigate about some children that were kidnapped from Mindanao; interviewed the resident governor and other government officials, who informed us that most of the goods illegally entered into the Philippines did not come from Sandakan, but were sent to Lahut Dato, Salim, Simporna, and Tawao, small towns on the east coast of Borneo, and were from there run into the Sulu Archipelago by small boats. On the 12th, upon receiving telegram from Secret Service Agent Lambeth at Sandakan, we proceeded there, he being ordered to Manila; after waiting two days for him left for Bongao and Jolo; 16th to 20th spent at Jolo on account of severe storm then prevailing; 20th to 25th on cruise, stopping at Siassi and Sandakan; 26th proceeded to cruise among the Tawi-Tawi Islands. Stopped at South Ubian and found store stocked with goods bought at Siassi, the first time that goods sold here that duty had been paid on. People here not very friendly, but more so than on previous visits; 27th went to Tandubas, but owing to the hostility of natives did not land; also learned that the natives of this island sent for large shipment of goods from Jolo, which shows that some impression is being made and that they are afraid to smuggle. Patroled the island between Tandubas and Sibutu, returning to Jolo on 28th, thence to Zamboanga, where the situation was discussed with General Wood, who will give us all possible aid. Distance steamed during the month, 1,810 miles; coal consumed, 96 tons.

March.—First to 7th remained at Zamboanga awaiting orders, then ordered to resume present duties and left at once for Jolo; 9th left for Bongao, then cruised off the coast of Borneo. Several Moro sapits were stopped and examined. Touched at Sandakan and

took on board Secret Agent Lambeth and returned to Jolo on 12th for the purpose of getting two new officers on arrival of *Palawan*; 16th left Jolo for several of the most southern islands for the purpose of bringing the chiefs and dattos of those places to Jolo that the governor might impress upon them the necessity of their keeping and obeying the law and not attack Americans who visited their islands; 18th left Jolo with part of a military expedition on board for the island of Pata and vicinity, after which a circuit of Jolo Island was made, returning to Jolo on night of 19th. On the 21st left Jolo with Captain Rivers and party to visit some islands which are in dispute as to ownership, off the coast of Borneo, named as follows: Siamil, Danawan, Kapalai, Mabul, Sipatan, Taganak, Baguan, Langaan, Lankayan, and the Mangsi islands, thence to Balubu. Although this service did not interfere with regular work, yet it made a long trip. Ten Moro dattos were also returned to their several islands while on this trip. Returned to Jolo on 29th, thence to Zamboanga. During the month some good results are beginning to show as a result of our work, as there is a greater increase of native trade at Jolo and Siassi, and many of the Moro boats are getting licensed. When the licensing of these is completed it will be easy to trace up those that are smuggling. Distance steamed during the month, 1,731 miles; coal consumed, 87 tons.

April.—First to 3d at Zamboanga; 4th and 5th cleaning boilers at Jolo; then proceeded to Cagayan de Jolo; here found evidence of a large amount of smuggling. Informed the people that free trade would no longer be permitted, and that they must license their boats. This they have refused to do, so will get authority and take action later; 9th proceeded to Bongao, where 1 officer and 10 soldiers were taken on, and proceeded to Sitanki, Sibutu Island, where the place was searched and a Chinese storekeeper arrested for evasion of duties; took him to Bongao, where he was later allowed to pay the duties, amounting to \$273.10 United States currency; 12th left for Siassi, Jolo, and Zamboanga; 15th left for cruise, touching at most of the islands south of Tawi-Tawi; thence to Bongao, Sandakan, Cagayan de Jolo; thence cruised to Lahut Dato, and here were informed that the contraband trade has greatly fallen off. The people in Sandakan tell us that their trade is being considerably affected by *Tablas* being in these waters, but on the other hand their legitimate trade with Jolo has greatly increased. Cruised in vicinity of Simporna and the Alice Channel, returning to Bongao on 26th; thence to South Ubian, Tobawan, Jolo, and Zamboanga. Many boats are stopped and examined. Distance steamed during the month, 1,860 miles; coal consumed, 68 tons.

May.—Coaled at Jolo and proceeded toward Sandakan to intercept steamship *Kudat*, as it was reported she was bringing in Chinese, etc. Stopped her at sea on the 4th and put customs official on board, who went to Jolo on her; however, nothing was found, as she seemed to have been warned by cable from Singapore and we know goods were transferred at Sandakan. On the 7th proceeded on cruise to Bongao and Cagayan de Jolo with intention of licensing all Moro boats there. Eleven of these were measured and licensed, and four were seized off the coast of the island on their way in from Sandakan, all with contraband cargoes. These were towed to Jolo, where they will be disposed of. We now have information of a lot of smuggling going on, but there is so much ground to cover with one boat that it can not be properly done. The natives of Cagayan de Jolo have resented our work here and express their intention to continue smuggling. About 150 assembled on the beach with arms to retake some sapits with cargo we had seized, and it became necessary to fire upon them to get these sapits. Returned to Jolo on 17th, then proceeded to Zamboanga for coal; 20th returned to Cagayan, where seven more sapits were seized, all coming in from Sandakan with contraband goods. These seven were towed to Jolo with their crew and turned over to the collector of customs; 24th received instructions to go to Zamboanga, where orders were received to proceed to the south coast of Mindanao to investigate reports of smuggling at Sarangani Bay and Island. Accordingly made thorough investigations, but am convinced that very little is done there, as the people are very poor and have no boats of any size. However, it is certain that Moros are sold as slaves and shipped in vintas to Tawi-Tawi and Basilan and other places, but such cases I think are few. Distance steamed during the month, 2,106 miles; coal consumed, 86 tons.

June.—On the 1st proceeded to Mati, thence to Davao, arriving on 3d, and made thorough investigation of trade conditions on coast to southward of Davao, but found no evidence of smuggling in this vicinity. On 4th went to Sarangani Bay and visited the several towns there, consisting of Glan, Macar, and two small towns on the east side of the bay. There is only one Chinaman in this locality and doing but little trade, and it seems certain that little or no smuggling is done. On 6th cruised along the south coast of Mindanao and anchored at Port Lebak; 7th, proceeded to Cottabato, where we remained until evening of the 10th to give ship the benefit of lying in fresh water. Here orders were received to resume work in Sulu Archipelago. Left for Zamboanga, thence to Jolo, leaving Jolo on the 12th for cruise to north coast of Tawi-Tawi, stopping all boats for examination. Landed at Tinakla Island and found three boats from Sandakan that had entered and paid duty at Bongao, the first time it has ever been done. Called at Bongao and left on the 14th for Jolo, where quarterly

supplies were taken in on the 15th. Left same night for north coast of Tawi-Tawi, thence along the Borneo coast to Sandakan, arriving there on the 18th, and learned that smuggling had greatly diminished at this place; 20th, left Sandakan for Sibutu and the Alice channel, where all boats were examined and three sapits seized with rice from Borneo; 22d, proceeded to Bongao with said sapits and turned them over to collector of customs. Left for Jolo, arriving there on 24th; coaled on 25th, and left on 26th for vicinity of Sibutu; 27th, anchored near Bilimbing to try and catch several vintas supposed to be coming from Sandakan, but find it is now a difficult matter to get small vintas, as the ship is too conspicuous and they hide on seeing the ship; 28th, proceeded toward Jolo, examined several boats and seized three vintas with contrabands from Kudat, BNB., for South Ubian. These vintas were released, but their contents and the chief person among them taken to Jolo and turned over to the proper authorities. Large sapit in Tataan Pass upon seeing us ran their boat onto the reef and all of the crew escaped to shore. As some cartridges were found it is supposed they had arms, as there was no other reason for their running away. Sent landing party to find them, but without success; 29th, arrived at Jolo. Distance steamed during June, 1,942 miles; coal consumed, 80 tons. Total distance cruised to June 30, 12,067 miles. Total amount of coal consumed to June 30, 536 tons.

Respectfully,

JAMES MILLER,
Commanding U. S. C. G. Tablas.

BUREAU OF COAST GUARD AND TRANSPORTATION,
COAST-GUARD CUTTER TABLAS,
Jolo, P. I., October 2, 1904.

Commander J. M. HELM, U. S. Navy,

Chief of Bureau of Coast Guard and Transportation, Manila, P. I.

SIR: I have the honor to submit the following report of operations of coast-guard cutter *Tablas* from June 30 to September 30, 1904, while on special duty with the customs service:

Left Jolo on morning of July 1, with 2 officers and 20 soldiers on board, for the purpose of searching the town of Maibun, information having been received that a quantity of Chinese tobacco had been brought in. The town was thoroughly searched, but no trace of the tobacco could be found. Returned to Jolo the same day.

Third, proceeded to Siasi at request of Governor Scott, to assist constabulary to capture a cotta on Lapak Island and break up a gang of troublesome Moros. Cotta was shelled on the 4th, and although the Moros escaped the matter was cleared up in a satisfactory manner, as all the chiefs surrendered to the constabulary officer. Returned to Jolo the night of the 4th.

Fifth, left for a cruise, touching at Bongao and Sitanki.

Sixth, seized a Moro vinta in Tataan Pass and turned her over to collector of Bongao. The crew escaped ashore. At Sitanki a thorough search was made for contraband, but nothing was found; then cruised on the coast of Borneo as far as Tawao. Here we find that considerable trade is done with the Moros, there being three sapits in port at this time. Touched at Simporna on the 10th, then proceeded to Jolo via Bongao and south side of Tawi-Tawi. Sent party to search town of Lataan, but nothing found. All the people here armed themselves and hid in the brush. Soldiers from Bongao were fired on at this place last month.

Thirteenth, stopped at South Ubian. Here a sapit was found that had just unloaded contraband cargo. The sapit was seized, but the goods had been hidden in the brush and could not be found. Towed sapit to Jolo, arriving on the 14th. This sapit has since been fitted up to work in conjunction with the ship.

Eighteenth, coaled ship at Jolo and sailed for vicinity of Bongao, and on the 19th seized a Moro sapit with a load of dutiable goods. This boat was headed for Siminoor Island, while two others were entering Bongao with small quantities of rice. All the boats belonged to the same parties, and the goods had been transferred at sea. In this manner the Moros avoid the payment of the greater part of customs duties, and make themselves appear honest by calling at Bongao with small cargoes. Returned to Bongao with sapit and transferred her cargo to *Tablas*; then proceeded to Sandakan, arriving on the 21st, leaving again on the 22d for Cagayan Sulu. While Inspector Shaw and party from the ship were making search for smuggled goods landed here on the 20th he was attacked by a Moro with a bolo, but was not injured. The Moro was made prisoner and goods taken on *Tablas*; 24th, while armed party from ship was making more seizures they were fired upon by a large party of Moros armed with rifles. Three sailors were slightly wounded and ship's boat was riddled with bullets. All the men of this place were engaged in this attack and fired some two hundred rounds at our party, whose retreat was covered by ship's guns. The life of the customs agent at Unus was attempted two days previous to this event.

Arrived at Jolo 25th and left same date with two companies of troops for Cagayan Sulu, at request of Governor Scott. When these troops landed they were fired upon by the Moros,

and an engagement took place in which some 26 Moros were killed and the town of Tanduan was burned; 29th, returned to Jolo with the troops. A stay was made here for purpose of cleaning the ship's boilers.

August.—On the 1st coaled ship at Jolo and remained here until the night of the 3d, while inspector cleared up his office work at Siasi; 4th, proceeded to Zamboanga for the purpose of consulting Governor Wood regarding the licensing of Moro boats, etc., and returned to Jolo on the 6th.

Seventh, proceeded south, towing a sapit to be used on the reefs where the cutter can not go; 10th, this sapit was sent to examine all the south coast of Tawi-Tawi and make such searches as found necessary and meet the ship again at Balimbing. In the meantime ship cruised in Sibutu Passage and stopped for examination all Moro boats seen; 15th, landed in Balimbing to investigate a smuggling case, then proceeded to Siasi and Jolo; 17th, left for Cagayan Sulu for the purpose of bringing the customs official and some troops back to Jolo; 18th, seized one sapit with contraband cargo from Sandakan. The goods and their owner transferred to *Tablas*, but the sapit had to be abandoned at sea, as she sprang a leak and filled. Arrived at Jolo on the 19th; 20th, proceeded on cruise to the Sibutu and Alice channels; 22d, sent the sapit away to watch for boats on the reef to west of Sibutu, while the cutter cruised in Alice channel; 23d, seized one sapit with small amount of goods and full load of rattan from Tawao; owing to the rough weather she had to be released, with orders to enter at Bongao; 25th, proceeded to the islands south of Tawi-Tawi and searched Moro boats and Chinese stores at the different islands; 27th, arrived at Jolo and remained there till the 30th, while Inspector Shaw clears up his office work at Siasi. It will be observed that six days of this month have been lost that the customs official stationed on *Tablas* might do office work on shore.

Owing to the unusually severe weather prevailing during this month there appears to have been but few Moro boats visiting the coast of Borneo; 30th, proceeded to Zamboanga to again consult Governor Wood regarding the work.

September 1: Left Zamboanga for southern islands via south side of Jolo. Examined all Moro boats seen and touched at Siasi on the 3d. Here Inspector Shaw received word that he was to be relieved; therefore he had to return to Jolo, that he might make arrangements for closing his office; 4th, left Jolo for Alice Channel, and remaining in vicinity of Meridian Reef stopped all boats for examination; 7th, called at Lahat Datu; 10th, returned to Jolo; 12th to 16th, cruising in Sibutu Passage and vicinity; 16th, proceeded to Zamboanga; 18th, left with members of court of first instance on board for Jolo, Siasi, and Bonigao; 21st, at Bonigao, where several smuggling cases were disposed of by the court. Then proceeded to Cagayan Sulu with Collector Corwine and treasurer of Moro Province for the purpose of investigating customs affairs of that island and locating site for custom-house. Returned to Jolo on the 24th. From the 24th to the 27th patrolled waters in the vicinity of Bonigao, thence to Siasi and took Inspector Shaw's office furniture to Jolo. Remained in Jolo till end of month.

In connection with the special duty on which the *Tablas* has been engaged it is thought that some comment on the work and local conditions would not be inexpedient. And to this end the following observations are respectfully submitted:

In dealing with the situation in the district of Jolo it is necessary that a cutter be constantly in the district. It is imperative that it be stationed in the vicinity of Bonigao, that the coast of Tawi Tawi and the approaches to the different channels and passages may be constantly watched; that this cutter should call Bonigao her headquarters and not be required to go to Siasi or Jolo oftener than once each month, or only in case of emergency or to take boats or goods there that have been seized; that the sapit already in use and one good vinta be constantly used by said cutter as tenders to watch certain channels while the cutter patrols the coast of Tawi Tawi and the Sibutu and Alice channels.

From information gained it is quite certain that about two-thirds of the goods smuggled in are passed through the Bonigao Channel and this vicinity, and most of the Chinese tobacco comes through there in vintas, and even those boats that enter Bonigao are known to land their dutiable goods in this channel until after leaving Bonigao, when it is reshipped and taken to its destination. This is done to throw off suspicion and make certain chiefs appear honest. Single boats have been known to land nine cases of Chinese tobacco and enter Bonigao and pay duty on one case only. As a rule each package of the cases entered at the custom-house is there stamped. These packages are kept by the Moros and produced when an inspector visits their stores or houses. These boats must be caught on the sea, for it is a waste of time to search stores or towns. As soon as Americans are seen approaching all dutiable goods are so securely hidden that it is impossible to find them. In most every instance where we have received reliable information of goods being in stores or towns it has been removed before we could land. Then, again, to do this it requires that the searching party be armed and of sufficient strength to resist attack, and this keeps the natives stirred up and resentful, whereas seizures at sea involve no such disadvantages.

All the boats coming from Sandakan follow the coast of Borneo as far as Tambisun Island,

then make the short run across to the Bonġao Channel or Tataan Pass during the night, and are hidden or have passed all danger of being caught before daylight. The ship might lay off these places at night, but every chance is against her being able to catch these small boats in the darkness, especially as the cutter is so conspicuous, and they are able to avoid her, but, as before stated, with tenders stationed in these narrow channels there is every probability of catching the smugglers.

In this and previous reports it will be noticed that the *Tablas* has never stopped longer than two or three days at a time at the places above mentioned, and therefore her movements are well known to the Moros. The customs officials heretofore stationed on the vessel have deemed it necessary to go to Siasi and Jolo three times or more each month. This, perhaps, was necessary in Mr. Shaw's case, as he had and was responsible for his office at Siasi. Nevertheless, several days were lost on each of these occasions, and at such times the bulk of the smuggling has been done. I would respectfully suggest that if a cutter is to be stationed permanently in these waters the master should control every movement of said cutter and her tenders. And if a customs official is to be detailed for duty on the cutter he should only attend to the disposal of such boats or goods that are seized, or other such duties that are purely in his line, and on no account should he require or request that the vessel make long cruises when no possible good can be derived from so doing. I would also suggest that the ports in Borneo be visited as little as possible.

At this time a great amount of smuggling is being done and I am certain that this can be broken up in a great measure by maintaining a strict watch on the places above mentioned and keeping a cutter constantly in the waters adjacent to Bonġao and Silutu.

As regards the change in the monsoons, it makes very little difference, especially to such boats as go to Sandakan, as these find fair winds in either monsoon from Tawi Tawi to Sandakan and return. Also in this part of the archipelago the northeast monsoon is oftentimes variable.

Very respectfully

JAMES MILLER, *Commanding.*

REPORT OF DISBURSING OFFICER, BUREAU OF COAST GUARD AND TRANSPORTATION.

MANILA, P. I., June 30, 1904.

Commander J. M. HELM, U. S. Navy,

Chief of Coast Guard and Transportation, Manila, P. I.

SIR: I have the honor to submit the following report of appropriations, expenditures, and balances of appropriations for the bureau of coast guard and transportation for the fiscal year 1904:

APPROPRIATIONS.

Salaries and wages.....	P76,481.96
Contingent expenses.....	7,000.00
Light-house service.....	654,818.00
Construction of vessels ^a	2,154,824.00
Total appropriated.....	2,893,123.96

EXPENDITURES.

Salaries and wages.....	P74,955.91
Contingent expenses.....	6,488.00
Light-house service.....	444,026.95
Construction of vessels.....	1,808,244.75
Total expended.....	2,333,715.61

^a This being a permanent appropriation for the construction, armament, and equipment of coast-guard cutters, the amount shown here as having been appropriated includes all appropriations made for this purpose during the fiscal years 1903 and 1904.

The appropriation of ₱654,818 for the light-house service includes the following:

Current expenses:

Salaries and subsistence of officers and crews of light-house tenders.....	₱45,354.00
Salaries of light-keepers and assistants.....	63,400.00
Maintenance and operation of light-house tenders <i>Corregidor</i> and <i>Picket</i> ..	81,600.00
Maintenance and operation of repair shop and storehouse in connection with the division of light-house construction.....	6,000.00
Construction of wharf on Engineer Island.....	6,000.00
Improvement of existing lights by installation of more powerful lenses...	14,000.00
Purchase of equipment for machine shop, light-house.....	2,000.00
Buoyage.....	27,000.00
Repairs to existing light stations.....	30,000.00
Incidental expenses.....	11,564.00

Total.....	286,818.00
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Permanent improvements:

Construction of Maniguin Island light-house.....	60,000.00
Construction of Capitancillo Island light-house.....	70,000.00
Construction of Bajo Apo Island light-house.....	42,000.00
Construction of Bagacay Point light-house.....	60,000.00
Construction of new minor light-houses.....	136,000.00

Total.....	368,000.00
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The expenditures for the above purposes during the fiscal year were as follows:

Current expenses:

Salaries and subsistence of officers and crews of light-house tenders....	₱42,474.29
Salaries of light-keepers and assistants.....	47,642.68
Maintenance and operation of light-house tenders.....	68,726.20
Maintenance and operation of repair shop.....	5,560.87
Construction of wharf on Engineer Island.....	5,667.81
Improvement of existing lights.....	417.16
Purchase of equipment for machine shop.....	171.61
Buoyage.....	14,743.74
Repairs to existing light stations.....	30,641.77
Incidental expenses.....	29,836.29

Total.....	245,882.42
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Permanent improvements:

Construction of Maniguin Island light-house.....	552.94
Construction of Capitancillo Island light-house.....	53,340.68
Construction of Bajo Apo Island light-house.....	2,532.46
Construction of Bagacay Point light-house.....	28,143.07
Construction of new minor light stations.....	113,575.38

Total.....	198,144.53
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The following shows the balance from the appropriations after the outstanding liabilities have been deducted:

SALARIES AND WAGES.^a

Appropriated.....	₱76,481.96
Expended.....	74,955.91
	₱1,526.05

CONTINGENT EXPENSES.

Balance of fund from prior years	₱1,000.87
Appropriated.....	7,000.00
Expended.....	6,488.00
	₱1,512.87
Liabilities.....	706.57
	806.30

^a All liabilities against this appropriation were settled June 30, 1904.

LIGHT-HOUSE SERVICE.

Current expenses:

Appropriated.....	₱286,818.00	
Expended.....	245,882.42	
		₱40,935.58

Liabilities:

Salaries of light keepers and assistants.....	5,500.00	
Maintenance and operation of tenders.....	4,529.77	
Maintenance and operation of repair shop and storehouse.....	365.77	
Construction of wharf on Engineer Island..	4.75	
Improvement of existing lights.....	13,582.84	
Purchase of equipment for machine shop...	1,828.39	
Buoyage.....	11,764.30	
Repairs to existing light stations.....	800.00	
Incidental expenses.....	150.00	
		38,525.82
		₱2,409.76

Permanent improvements:

All balances of appropriations for the construction of new light-houses are carried as liabilities against said appropriations, as the construction work has not yet been completed.

CONSTRUCTION OF VESSELS.

Appropriated.....	2,154,824.00
Expended.....	₱1,808,244.75
Amount turned back into the general fund, same being no longer required.....	272,000.00
	2,080,244.75

Balance.....	74,579.25
Outstanding liabilities, including purchase of steam launch, guns and ammunition, car- bines, revolvers, grappling irons, megaphones, pelorus compasses, etc (estimated)	74,579.25

Balance, over and above outstanding liabilities..... 4,742.11

RECAPITULATION.

[Philippine currency.]

Purpose.	Appropriated.	Expenditures.	Refunded.	Liability.	Balance.
Salaries and wages.....	₱76,481.96	₱74,955.91			₱1,526.05
Contingent expenses.....	7,000.00	6,488.00		₱706.57	806.30
Light-house service.....	654,818.00	444,026.95		208,381.29	2,409.76
Construction of vessels.....	2,154,824.00	1,808,244.75	₱272,000.00	74,579.75	
Total.....	2,893,123.96	2,333,715.61	272,000.00	283,667.41	4,742.11

Respectfully submitted.

PAUL A. WEEMS,
Disbursing Officer, Bureau of Coast Guard and Transportation.

REPORT OF THE PAYMASTER.

MANILA, P. I., August 31, 1904.

The CHIEF OF BUREAU OF COAST GUARD AND TRANSPORTATION,

Manila, P. I.

SIR: I have the honor to submit herewith a financial statement of the appropriations and expenditures of this bureau for the fiscal year 1905, commencing July 1, 1904, and ending August 31, 1904:

CUTTERS AND LAUNCHES.

Appropriated Act 1225.....		P1, 140, 000. 00
Disbursements.....	P71, 242. 66	
Supplies insular purchasing agent.....	12, 449. 82	
Coal, insular purchasing agent.....	27, 653. 35	
Liabilities.....	58, 018. 10	
		<hr/> 169, 363. 93
Balance.....		<hr/> 970, 636. 07

LIGHT-HOUSE SERVICE.

Maintenance:		
Appropriated Act 1225.....		P380, 000. 00
Disbursements.....	P11, 454. 97	
Supplies, insular purchasing agent.....	8, 365. 34	
Liabilities.....	16, 508. 67	
		<hr/> 36, 328. 98
Balance.....		<hr/> 343, 671. 02
Construction:		
Balance June 30, 1904.....		169, 855. 47
Disbursements.....	5, 627. 41	
Supplies, insular purchasing agent.....	9, 728. 87	
Liabilities.....	43, 671. 18	
		<hr/> 59, 027. 46
Balance.....		<hr/> 110, 828. 01

SALARIES AND WAGES.

Appropriated Act 1225.....		P80, 000. 00
Disbursements.....	P12, 617. 39	
Liabilities.....	532. 00	
		<hr/> 13, 149. 39
Balance.....		<hr/> 66, 850. 61

CONTINGENT EXPENSES.

Appropriated Act 1225.....		P6, 400. 00
Disbursements.....	P217. 94	
Supplies, insular purchasing agent.....	530. 00	
Liabilities.....	131. 03	
		<hr/> 879. 17
Balance.....		<hr/> 5, 520. 83

MARINE RAILWAY.

Balance June 30, 1904.....		P61, 425. 50
Disbursements.....	P54, 700. 46	
Liabilities.....	28, 137. 96	
		<hr/> 82, 838. 42
Deficiency.....		<hr/> 21, 412. 92

Very respectfully,

H. B. HATFIELD, Paymaster.

JULY 26, 1904.

The CHIEF OF BUREAU OF COAST GUARD AND TRANSPORTATION,
Manila.

SIR: I have the honor to submit herewith a report showing the financial operations of the division of vessels for the fiscal year 1904:

CUTTERS AND LAUNCHES.

Dr.		
Appropriated Act 807.....	P 470,000.00	
Appropriated Act 1010.....	98,869.28	
Appropriated Act 1049.....	670,000.00	
Transferred construction of vessels.....	13,234.28	
Refund sale of rations.....	600.84	
Refund repairs <i>Tilly</i>	1,802.68	
Refund outside shopwork.....	9,939.20	
Refund miscellaneous.....	574.69	
	<hr/>	P 1,265,020.97
Cr.		
Office disbursements.....	641,520.21	
Purchases, insular purchasing agent.....	488,697.59	
Liabilities, insular purchasing agent.....	71,205.39	
Liabilities, miscellaneous.....	16,025.50	
	<hr/>	1,217,448.69
Balance.....		<hr/> 47,572.28

MARINE RAILWAY.

Dr.		
Appropriated Act S31.....	P 70,000.00	
Appropriated Act 1114.....	40,000.00	
	<hr/>	P 110,000.00
Cr.		
Marine Railway:		
Office disbursements.....	P 23,955.54	
Purchases, insular purchasing agent....	3,838.54	
Liabilities.....	16,947.20	
	<hr/>	44,741.28
Shops:		
Office disbursements.....	1,327.51	
Purchases, insular purchasing agent....	19,452.91	
	<hr/>	20,780.42
		<hr/> 65,521.70
Balance.....		<hr/> 44,478.30

The above figures under cutters and launches include as a liability P 20,000 for the payment of supplies requisitioned for from the insular purchasing agent, but not yet delivered.

Very respectfully,

H. B. HATFIELD, *Pay Officer.*

Pay table, Bureau of Coast Guard and Transportation.

CUTTERS.

Position.	Monthly salary.	Subsistence per day.
Captain.....	\$150.00	\$0.50
First officer.....	75.00	.50
Second officer.....	60.00	.50
Chief engineer.....	133.33	.50
Assistant engineer.....	75.00	.50
Two machinists.....	35.00	.15
Three oilers.....	20.00	.15
Three firemen.....	15.00	.15
Three coal passers.....	11.00	.15
One boatswain.....	20.00	.15
One carpenter.....	20.00	.15
Three quartermasters.....	12.50	.15
Two coxswains.....	11.00	.15
Eight sailors.....	10.00	.15
One steward.....	20.00	.15
One first cook.....	20.00	.15
One second cook.....	12.50	.15
Two mess boys.....	8.00	.15

LAUNCHES (SEAGOING).

Master.....	\$100.00	\$0.50
Mate.....	50.00	.50
Chief engineer.....	90.00	.50
One first assistant engineer.....	35.00	.15
One second assistant engineer.....	30.00	.15
Three firemen.....	11.00	.15
Three quartermasters.....	12.50	.15
Six sailors.....	10.00	.15
One cook.....	15.00	.15
One mess boy.....	8.00	.15

STEAMER (SENTINEL).

Master.....	\$90.00	\$0.50
Chief engineer.....	75.00	.50
One assistant engineer.....	37.50	.15
One mate (pilot).....	25.00	.15
Two firemen.....	15.00	.15
One quartermaster.....	12.50	.15
Two sailors.....	10.00	.15
One cook.....	12.50	.15
One boy.....	5.00	.15

LAUNCH (TROY).

Master.....	\$90.00	\$0.50
One patron.....	40.00	.15
One chief engineer.....	35.00	.15
One assistant engineer.....	30.00	.15
Two firemen.....	11.00	.15
Two quartermasters.....	12.50	.15
Five sailors.....	10.00	.15
One cook.....	12.50	.15

LAUNCHES (BAY).

One patron, first class.....	\$50.00	.....
Two patrons, second class.....	40.00	.....
Three patrons, third class.....	25.00	.....
Firemen.....	20.00	.....
One engineer, first class.....	40.00	.....
Two engineers, second class.....	30.00	.....
Three engineers, third class.....	25.00	.....
One quartermaster.....	12.50	.....
Sixteen sailors.....	10.00	.....

Respectfully submitted.

H. B. HATFIELD, *Pay Officer.*

ANNUAL REPORT BUREAU OF ENGINEERING, FISCAL YEAR 1904.

The SECRETARY OF COMMERCE AND POLICE,
Manila, P. I.

SIR: I have the honor to submit herewith the annual report of the operations of the bureau of engineering for the fiscal year ending June 30, 1904:

ROAD CONSTRUCTION.

Requests from the provinces for insular assistance in improving existing highways and in constructing new ones have been numerous. These requests have been accompanied by recommendations from various officials pointing out the importance of improved highways (1) to the provincial officials in making their official trips, (2) in the operations of the constabulary, (3) in the extension of mail routes, (4) and, more particularly, in the development of fertile agricultural regions by reducing the cost of transportation of products, the price of which at the market centers has been high during the period of impassable roads, when the cost of transporting same to the markets has been practically prohibitive. The principal work of the bureau during the year has been that of highway construction.

Attention is invited to the additional value of road construction as a means of improvement in the organization of native labor and in its increased effectiveness. While difficulties have been encountered frequently in maintaining a uniform supply of labor, they are decreasing. The practice of giving only a few days' service and the unwillingness to labor in adjacent barrios may be considered as things of the past. It appears that considerable confidence in fair treatment has been gained; that a knowledge of the use of tools is being acquired, and that an application of such knowledge to the development of agricultural work is appreciated and utilized, and that the relation of manual labor to the development of the individual is gradually attaining its proper position. While the native still seeks the clerical position at the lesser money value rather than the position of a skilled laborer, he is by degrees acquiring a conception of the dignity of labor. The principal difficulty in securing satisfactory efficiency in the native laborers is the scarcity of competent foremen acquainted with local conditions and native characteristics.

The money expended on road work has perhaps a more far-reaching influence on the inhabitants than that expended through any other channel. It is more uniformly distributed among the people, it disseminates a broader knowledge of modern methods of work, it brings the American and the native into closer relationship and into a better understanding of each other. It is anticipated that this knowledge of tools and methods will be applied in the agricultural regions and will lead to an increased demand for American machinery and tools.

The aggregate amount appropriated from insular funds for road construction was ₱1,335,600, of which ₱494,227.31 were expended during the fiscal year. This money has been distributed through 11 provinces. The total number of natives receiving employment on road work is estimated at 80,000.

A brief description of the roads under prosecution and for the construction of which the Commission has appropriated insular funds follows:

Vigan-Bangued road, provinces of Abra and Ilocos Sur.—A general description of this project is given on page 214, of part 3, Report of the Commission for 1903. Act 920, providing ₱80,000 from the Congressional relief fund for the construction of this road, was passed October 3, 1903. The appropriation was practically expended during the fiscal year and work abandoned in the month of June on account of lack of necessary funds for the completion of bridges. An additional appropriation of ₱14,700 was provided for by Act 1192, dated July 15, 1904, and the necessary bridges between San Quentin and Bangued are now in process of construction.

The road is practically completed to San Quentin. The major portion of the work consists of heavy rock and side-hill work in the vicinity of the Gap, about 6 miles below San Quentin. The old military road leading from the Gap to Vigan was repaired for a distance of about 3.5 miles to the barrio San Julian. This portion of repair work the province had previously pledged itself to undertake. Work remaining to be done consists of the repair and construction of 22 bridges and culverts between San Quentin and Bangued. It is estimated that this work will be completed during the month of November.

The Abra River now forms the only outlet for Abra. It can be used only by rafts, and during much of the rainy season its navigation is difficult and dangerous and frequently impossible.

The completion of this road will afford increased interprovincial communication between Abra and Ilocos Sur; it will provide an outlet to the coast for Abra Province at all seasons of the year, and will materially cheapen the transportation to the markets of agricultural products and timber, in which Abra Province is rich. Its use will materially decrease the cost of transporting supplies into Abra Province.

Mr. E. S. Wheeler has been in charge of this road as superintendent since construction commenced. The maximum number of laborers employed was about 700.

Money statement.

Amount appropriated, Act 920, October 3, 1903.....	₱80,000.00
Amount expended to June 30, 1904.....	79,877.22

Balance available July 1, 1904.....	122.78
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Capas-O'Donnell-Iba road, provinces of Tarlac and Zambales.—Mention was made of the field work in progress on the Iba-O'Donnell survey on page 214 of the Annual Report of the Commission for 1903, part 3. During the southwest monsoons the exposed coast of Zambales is rendered difficult and dangerous for transportation by water. The construction of this road provides an outlet for the southerly portion of Zambales Province overland from Iba to Capas (on the

Manila and Dagupan Railway), a distance of about 50 miles. Adjacent to the termini of this road the population is fairly dense; the intermediate portion is sparsely settled.

Location over the Cordillera de Cabusilan is somewhat difficult, and will represent the most expensive portion of the road. The maximum elevation is about 1,500 feet. A substantial road is under construction, and at the end of the fiscal year was opened up for a distance of about 20 miles. The road is provided with a rock crusher and a 10-ton steam roller, and the finished road will be durable and well surfaced. The road opens up several square miles of fertile territory on the easterly side of the mountains, and considerable valuable timber will be available in the mountain regions.

Construction was provided for by Act 1016, under date of November 30, 1903, appropriating for this purpose the sum of ₱360,000 from the Congressional relief fund. Construction was commenced January 1, 1904. It is anticipated that no additional appropriations will be needed for the completion of this road in a substantial and durable manner.

Mr. E. A. Keys, assistant engineer, who made the survey of this road, was the superintendent from the beginning of construction to the 10th of August, on which date he resigned, and was succeeded by Mr. H. Thurber, then supervisor of Bulacan. Maximum number of laborers on this road was about 550.

Money statement.

Amount appropriated, Act 1016, November 30, 1903.....	₱ 360,000.00
Amount expended to June 30, 1904.....	76,928.73
Balance available July 1, 1904.....	283,071.27

Pagbilao-Atimonan road, Tayabas Province.—This road forms the principal link in the highway connecting the Pacific Ocean (Lamon Bay) with the China Sea, by way of Lucena, the provincial capital. It will materially reduce the expense of transportation of products from the Pacific coast to the markets. This coast is difficult and dangerous during the prevalence of the northwest monsoons and the present route of transportation is by water around the southeastern portion of the island of Luzon through the San Bernardino Straits.

The length of road is about 21 miles; from Pagbilao to Lucena is about 7 miles. Upon completion the at present almost inaccessible portions of the province will be within comparatively easy reach of the capital. The most difficult portion of this road is over the mountainous section, a distance of about 4 miles, in which portion heavy grades are encountered and the construction is expensive on account of heavy sidehill and rock work. The maximum elevation of the road is about 750 feet.

Surveys were authorized October 2, 1902, and were made by Mr. J. G. Vogelgesang, assistant engineer, who commenced field work August 11, 1903, and submitted final reports under date of November 10, 1903. The cost of surveys was ₱2,837.44.

Act 1015, dated November 30, 1903, provides ₱174,000 from the Congressional relief fund for the construction of this road. Construction was commenced January 1, 1904, Mr. Vogelgesang having been appointed superintendent. This position was held by him until August 4, when he was fatally injured while in the discharge

of his duties. He was succeeded by Mr. J. R. Miner, chief clerk, who had assisted in the surveys and who had been on the construction from its beginning. At the end of the fiscal year the construction was about one-half completed. The maximum number of laborers employed was about 1,200.

Money statement.

Amount appropriated, Act 1015, November 30, 1903.....	₱174,000.00
Amount expended to June 30, 1904.....	99,224.20
Balance available July 1, 1904.....	74,775.80

Pasacao-Nueva Caceres road, Ambos Camarines Province.—This road extends from Nueva Caceres, the provincial capital, to Pasacao, its seaport, and consists principally of repair work. The total length of road is 18 miles; it includes 46 bridges, aggregating 1,404 linear feet. One of the main objects of this road construction was to relieve distress existing in the province. Available provincial funds did not permit incurring this expenditure. Its construction was provided for by Act 918, under date of October 2, 1903, appropriating ₱50,000 for the work. The construction was commenced under the direction of the provincial supervisor, Mr. E. P. Shuman, February 1, 1904. At the end of the fiscal year about 70 per cent of the construction was completed. The maximum number of laborers employed on this work was about 800.

This construction work has materially assisted in relieving the distress which existed in the province, and considerable hemp land has been opened up in the vicinity of the road since it began. Its completion will be of material value in connecting the provincial capital with its seaport.

It is anticipated that the construction can not be completed within the appropriated amount, but the provincial funds will permit the completion without further request for assistance from the insular government.

Money statement.

Amount appropriated, Act 918, October 2, 1903.....	₱50,000.00
Amount expended to June 30, 1904.....	49,333.12
Balance available July 1, 1904.....	666.88

Lucena-Sariaya road, Tayabas Province.—The main object in the construction of this road was to increase interprovincial communication and to decrease the cost of transportation from the westerly part of the province to the capital and to the market.

Its length is about 6 miles and it follows the right of way of an old trail. The region is practically level, except the approaches to the ford near Lucena, and the road passes through a fertile agricultural area.

An examination of this road was made in December, 1903, by J. G. Vogelgesang, assistant engineer, under authorization dated September 21, 1903.

Act 1073, under date of March 3, 1904, provides for the construction of this road by an appropriation of ₱39,000 from the Congressional relief fund, which includes the construction of a bridge at Sariaya and at Candelaria. Construction was commenced May 2, 1904.

During the fiscal year the road was entirely cleared, and 65 per cent of ditching and grading and 40 per cent of the surfacing was completed.

The special advantages to be derived from the construction of this road are (1) it facilitates communication between the western portions of the province and the capital, and (2) it is the connecting link between the Pagbilao-Atimonan road and the Bay-Tiaong road leading through the province of Laguna to the port at Bay.

Attention is also invited to the fact that this latter road connects with Calamba, by means of the Calamba-Los Baños-Bay road now under construction, and that a good road connects Calamba with Batangas. The completion of these related projects will serve for a considerable period the greater areas of the provinces of Laguna, Batangas, and Tayabas.

Mr. H. C. Humphrey, provincial supervisor of Tayabas, has been in charge of this construction. The maximum number of laborers employed is about 250.

Money statement.

Amount appropriated, Act 1073, March 3, 1904.....	P 39,000.00
Expended to June 30, 1904.....	8,420.085
Balance available July 1, 1904.....	30,579.915

Bay-Tiaong road, provinces of Laguna and Tayabas.—This road is of an interprovincial nature, connecting the northwesterly portion of Tayabas Province through Laguna Province to the port of Laguna de Bay. It is essentially the repair of an existing road, and aids in alleviating a condition of distress and famine existing through this locality. The region traversed is fertile and the cost of transportation of agricultural products to the market will be materially decreased.

The northerly portion of the road consists of heavy lowland work through rice paddies; the southerly portion is on ground of more suitable material. The roadbed is constructed with a surfaced material 12 feet wide, and with the exception of a 9 per cent grade for a short distance is practically level.

The construction of this road was provided for by Act 1073, dated March 3, 1904, appropriating P144,600 from the Congressional relief fund for the purpose specified.

Construction commenced March 25, 1904, under the direction of the provincial supervisor of Laguna, Mr. D. A. Sherfey. The work was fairly under way at the end of the fiscal year and was employing a force of about 300 laborers. Notwithstanding the local conditions of distress, 50 per cent of the laborers on this road are recruited from outside the province.

Money statement.

Amount appropriated, Act 1073, March 3, 1904.....	P 144,600.00
Expended to June 30, 1904.....	12,495.27
Balance available July 1, 1904.....	132,104.73

Calamba-Los Baños-Bay road, Laguna Province.—The Calamba-Bay road is of special importance for securing forage and for operations from the military post at Los Baños, connecting the same with Calamba and the highway leading southerly to Batangas and with Bay and the highway therefrom leading southerly to Lucena.

Its length is about 11.5 miles through low ground for the greater portion of the distance. It forms an important link of a coastal road around the southerly coast of Laguna de Bay.

Its construction was provided for by an appropriation of ₱34,000, Act 1074, enacted under date of March 3, 1904, from the Congressional relief fund.

The superintendency of this road is in charge of Mr. Charles O. Thomas, first lieutenant, First Cavalry, United States Army, constructing quartermaster of the army post at Los Banos.

The appropriation provided for is not sufficient for the construction of road work. However, it is estimated that no additional appropriation will be needed on account of the large amount of transportation and equipments that are available to the superintendent from military resources.

In general, transportation is now so scarce and expensive that effective road work in many localities is almost prohibited. In case the transportation available at many of the military posts can be utilized on road construction, in accordance with provisions similar to those of Act 1074, several roads of importance to both the civil and military authorities may be prosecuted with small cost to the former and without additional expense to the latter.

Money statement.

Amount appropriated Act 1074, March 3, 1904.....	₱34,000.00
Expended to June 30, 1904.....	2,686.90

Balance available July 1, 1904.....	31,313.10
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Carcar-Barili road, Sogod-Putad road, Province of Cebu.—These roads are in the south central and northerly portion of the island of Cebu, respectively, and were provided for by Act No. 1000, under date of November 20, 1903, by an appropriation of ₱56,000 from the Congressional relief fund for the Carcar-Barili road, and ₱178,000 from the same fund for the Sogod-Putad road.

Surveys of these roads were authorized June 15, 1903, and were completed October 10, 1903, by Mr. W. G. Hunter, assistant engineer. The cost of the surveys for the two roads was ₱1,154.88.

The Carcar-Barili road extends from Carcar on the easterly coast of Cebu, westerly for a distance of 12.25 miles, over the Cordillera Central to Barili on the western coast of Cebu. The principal object in the construction of this road is to facilitate communication between the westerly coast of Cebu and the capital, to reduce the cost of transportation of supplies to market, and to aid the movements of the constabulary.

Construction of this road was commenced January 18, 1904, under the direction of the supervisor, Mr. H. C. De Lano.

The maximum number of laborers employed was about 1,150. It is proposed to use the equipment purchased for this road for the construction of the Sogod-Putad road.

The road, excluding bridges, of which 50 per cent remain to be built, was practically completed at the end of the fiscal year. A percentage of the cost of equipment will be chargeable against the Sogod-Putad road, and no further appropriation for the completion of this work will be necessary.

Money statement.

Amount appropriated Act 1000, November 20, 1903	₱ 56,000. 00
Expended to June 30, 1904.....	52, 136. 67

Balance available July 1, 1904.....	3, 863. 33
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No construction work had been commenced at the end of the fiscal year on the Sogod-Putad road. This road begins at Sogod on the easterly coast of Cebu, and extends westerly for a distance of 16.3 miles to Putad on the westerly coast. The reasons for constructing this road are similar to those necessitating the construction of the Carcar-Barili road.

Plans for early commencement of this work are under discussion. The construction of these two roads, in connection with the coastal roads of Cebu will place remote portions of the province in much closer communication with the provincial capital.

Money statement.

Amount appropriated Act 1000, November 20, 1903.....	₱ 178,000. 00
Expended to June 30, 1904.....	4, 534. 64

Balance available July 1, 1904.....	173, 465. 36
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Bacon-Sorsogon-Gubat-Bulusan road, Sorsogon Province.—The construction of this road was provided for by Act 920, under date of October 3, 1903, appropriating the sum of ₱80,000 therefor from the Congressional relief fund.

The total length of this road is about 33 miles, connecting Bacon on the Pacific Ocean with Sorsogon on the China Sea, thence to Gubat on the Pacific, and thence southerly along the Pacific coast on the easterly side of the province to Bulusan. Construction began December 1, 1903.

This road traverses some of the principal hemp regions of Sorsogon, and its completion will be of great value in reducing the expenses of transporting products to market, in facilitating the movements of officials, and in the development of the province. The roadway passes through level country for the greater distance, a maximum grade of 5 per cent being encountered for a short distance.

The superintendency of this road was divided between the military and civil authorities, Capt. A. C. Dalton, Twenty-sixth Infantry, constructing quartermaster of the military post at Bacon, having charge of the Bacon-Sorsogon portion, and having built about two-thirds of this portion, or a distance of 4 miles, at a cost of ₱3,571.53. The low expense for the construction on this section was due to the fact that Captain Dalton had control of military equipment and transportation, thereby greatly reducing its cost.

The remaining portion of the road was under the charge of the provincial supervisor, Mr. H. L. Stevens, and at the end of the fiscal year was practically completed.

The Gubat-Bulusan portion of this road furnishes the only means of marketing the hemp and other products.

Telephone poles for the use of the constabulary have been erected along the entire length of the road.

The supervisor reports tangible signs already of the beneficial effects of this work, several farms having been opened up while the

road was in process of construction, and several houses having been erected.

The maximum number of laborers employed on this road was about 350.

Five steel bridges, which still remain to be erected, have been requisitioned for; the sum of ₱20,000 remains available for these bridges. While the original appropriation will not furnish sufficient funds for the completion of this entire project, no additional appropriations will be necessary, the financial condition of the province permitting the completion of the work without further assistance.

Money statement.

Amount appropriated Act 920, October 3, 1903	₱80,000.00
Expended to June 30, 1904.....	59,455.79
Balance available July 1, 1904.....	20,544.21

Padre Juan Villaverde Trail, provinces of Pangasinan and Nueva Vizcaya.—Surveys for this trail were authorized under date of June 6, 1903. Various investigations made by the provincial supervisor of Nueva Vizcaya and by constabulary officers estimated the cost of this trail at about ₱6,000.

Act 920, under date of October 3, 1903, provided ₱8,000 for the construction and repair of this trail, which forms practically the only outlet for the province of Nueva Vizcaya. Starting from Bayombong, the capital of Nueva Vizcaya, it crosses the mountains range and terminates at San Nicolas in Pangasinan, connecting there with the provincial road from San Nicolas to Bautista and from San Nicolas to Dagupan. The total length of the trail from Bayombong to San Nicolas is 62 miles. Construction work commenced November 16, 1903, under the superintendency of Mr. L. W. Wilson. The work involved was found to be much larger than previously estimated, and a closer survey of this road by Mr. L. E. Bennett, ex-governor of the province, gave an estimated cost for the entire project of ₱70,000. Additional appropriation, amounting to ₱62,000, was provided for by Act 1083, under date of March 10, 1904, and Mr. Bennett, as superintendent, began construction work March 28.

This trail is constructed for pack trains only; it has a width of 2 meters with occasional turn-outs. Through the mountain region over a distance of 20 miles it is difficult side-hill work. The grades in general are fair for a trail, and follow quite closely the original location reported to have been made by Padre Juan Villaverde. The trail for a considerable portion in the mountain region passes through uninhabited regions. The maintenance of this trail will be a somewhat serious problem, and should receive careful attention, particularly for the first two or three years. The present plan is to establish maintenance gangs for each section of about 10 miles of trail, some member of the gang daily to inspect the trail during the rainy season and see that slides or other obstructions are quickly removed.

The work is practically completed at the end of the fiscal year. The maximum number of laborers on this work was about 1,300. The labor has been largely recruited from the Igorrotes inhabiting the province of Nueva Vizcaya.

Money Statement.

Amounts appropriated:

Act 920, October 3, 1903.....	P8,000.00
Act 1083, March 10, 1904.....	62,000.00

70,000.00

Expended to June 30, 1904.....	49,134.69
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Balance available July 1, 1904.....	20,865.31
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Magdalena-Santa Cruz road, Laguna Province.—This road forms a portion of an interprovincial road connecting the provinces of Laguna and Tayabas by way of Luisiana and Lucban. Location of the road from Magdalena to Lucban is under investigation. The completion of this road will open up the fertile territory southeast of Laguna de Bay and furnish facilities for reducing the expenses of transporting products to the markets.

Act No. 1073, dated March 3, 1904, provides P70,000 for the construction of this road. Its length is 4.5 miles through low ground. Heavy embankment work with durable surfacing will be required.

Mr. Sherfey, provincial supervisor of Laguna, and superintendent of the Bay-Tiaong road is also in charge of this construction, work on which will be begun as soon as opportunity is afforded.

The following tabulation gives a summary of the above-described projects under process of construction by the bureau of engineering:

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Summary of road projects under special acts appropriating insular funds.

Termini of roads.	Provinces.	Length. <i>Miles.</i>	Act. number and date.	Appropriation.	Extended to June 30, 1904.	Remarks.
Vigan.....	Ilocos Sur.....	22	920, Oct. 3, 1903.	P 80,000	P 79,877.22	Completed except bridges
Bangueo.....	Abu.....	50	1016, Nov. 30, 1903	360,000	76,928.73	About one-fourth completed.
Capas.....	Tarlac.....	20.5	1015, Nov. 30, 1903.	174,000	59,224.20	About half completed.
O'Donnell.....	Zambales.....	18	918, Oct. 2, 1903.	50,000	49,333.12	Nearly completed.
Pagobilaro.....	Tayabas.....	6	1073, Mar. 3, 1904.	39,000	8,420.08	Do.
Antimonan.....	do.....	18	do.....	144,600	12,435.27	Work under way.
Pasacao.....	Ambos Camarines	11.5	1074, Mar. 3, 1904.	31,000	2,656.90	Do.
Lacena.....	Tayabas.....	12	1000, Nov. 20, 1903	56,000	52,136.67	Completed except bridges.
Saraya.....	Laguna.....	16	do.....	178,000	4,534.64	Construction not commenced.
Bay.....	do.....	33	920, Oct. 3, 1903.	80,000	59,453.79	Road completed; steel bridges to be erected.
Tuong.....	Laguna.....	63	do.....	8,000	.....	Nearly completed.
Calamba.....	Tayabas.....	4.5	1003, Mar. 10, 1904.	62,000	49,134.09	Construction not commenced.
Los Baños.....	Laguna.....	274.5	1073, Mar. 3, 1904.	70,000	.....	Construction not commenced.
Bay.....	do.....			1,335,600	494,227.31	
Carat.....	Cebu.....					
Sogod.....	do.....					
Barili.....	do.....					
Putad.....	do.....					
Bacon.....	Sorsogon.....					
Bulusan.....	do.....					
Padre Juan Villaverde trail:						
Bayombong.....	Nueva Vizcaya.....					
San Nicolas.....	Pangasinan.....					
Magdalena.....	Laguna.....					
Santa Cruz.....	do.....					

NOTE: All appropriations from Congressional relief fund.

ROADS SURVEYED AND CONSTRUCTION RECOMMENDED, BUT NOT AUTHORIZED.

Abuyog-Baybay, Leyte Province.—Surveys of this road were authorized under date of December 20, 1902, and were completed by Mr. W. W. Coleman, assistant engineer, in March, 1904. The proposed road, 32 miles in length, will cross the south central portion of the island of Leyte from Abuyog on the easterly coast, to Baybay on the westerly coast. The region traversed is fertile and thickly settled. The province proposes to complete the construction of the coastal road from Tacloban south to Abuyog, to repair the coastal road on the western part of the island, and by the construction of this projected road to render the westerly coast of the island more accessible to the provincial capital.

The advantages of this road in the development of the resources of the island are large. At present the only means of communicating with the western coast of the island is by vessel. The estimated cost of this road is ₱290,000. Provincial funds will be exhausted in the repair and construction of roads immediately necessary.

This project was favorably recommended July 18, 1904, and is now before the Commission for action.

Ligao to Tabaco and Guinobatan via Jovellar, Albay Province.—The principal road of this province leads from Legaspi, the seaport of Albay, northwesterly through the central part of the province by way of Camilig, Guinobatan, Ligao, and Libong. The Ligao-Tabaco road connects this road from Ligao, through the north central portion of the province, with Tabaco, a port on the easterly coast reported to be the best natural port existing in this province, and it passes through the rich hemp regions of the province. Its length is 17 miles.

The Guinobatan-Jovellar road extends from Guinobatan, located on the principal road of the province southerly to Jovellar, a distance of 9.75 miles, through a thickly populated and fertile region. These roads are regarded as of large importance in the transportation of hemp to the seaports, in the development of the province, and in the suppression of lawlessness. Numerous petitions for their construction have been made by the inhabitants. Provincial revenues do not permit this expenditure.

Estimated cost of these two roads is ₱230,000. The proposition was submitted with favorable recommendations, but action has been deferred by resolution of the Commission under date of May 11, 1904.

Camilig to Paniqui, Tarlac Province.—This road is located in the northern part of the province, and connects San Miguel de Camilig with Paniqui, a station on the railroad. Surveys were authorized January 11, 1904, and completed February 24, 1904. The length of the road is 12 miles, 2 miles of which are in good condition, the remaining distance requiring thorough repairs.

The road is the only outlet for the northern portion of the province to the railroad, and is of considerable importance in reducing expenses of transportation in the province. The region traversed produces large quantities of rice. The importance of the road is both local and provincial, but the revenues of the province do not permit undertaking this work. The report on this road recommending an appropriation of ₱52,800 was submitted March 11. Action on the same was deferred by resolution of the Commission May 11, 1904.

Solano-Banaue trail, province of Nueva Vizcaya.—Surveys of these trails were authorized February 24, 1904, and were made by L. E. Bennett, assistant engineer, and practically finished within the fiscal year. These trails lead from Bayombong northerly by way of Solano, Bagabag, Payauan, Pindungan, and Banaue to Ambuyuan in the province of Lepanto-Bontoc, a distance of 55.5 miles. Additional trails connecting therewith and leading to Quingan, to Alimit, and to Sapao increase the distance to a total of 83.3 miles. The proposition is to build a trail 2 meters in width with occasional turn-outs. The project is of importance in the control of this region in the movements of the constabulary and provincial officials, in the transportation of supplies, mail, etc. This construction would be of large value in bringing adjacent barrios and municipalities of both the civilized and uncivilized inhabitants into closer communication with one another. It traverses fertile regions for a considerable portion of its length, and passes through remarkable irrigating works constructed by the Igorrotes, and is of interprovincial importance.

The estimated cost for the 83.3 miles of trail is ₱60,000. The project is before the Commission awaiting action.

Cotta-Barra road, Tayabas Province.—The purpose of this project is principally for the development of the port of Lucena, and includes the construction of a small landing wharf. The location of the port is exposed; boats necessarily anchor some distance out, on account of the bar at the mouth of the river, and lighterage will be necessary, regardless of the proposed improvements. The highway from Lucena to Cotta, the present port, is of substantial construction. The distance from Cotta to Barra is about 3 miles through low land and sparsely populated territory. The construction of the road would be expensive, and its advantages would consist principally in the reduction of lighterage from a distance of about 4 miles at present to a distance of about 1 mile.

The estimated cost, including a bridge at Cotta and a small dock at Barra, is ₱24,000. Provision for this construction was deferred by the Commission under date of May 20, 1904.

The following tabulation shows the total length and estimated cost of these six roads:

Length and estimated cost of roads.

Termini.	Province.	Length.	Estimated Cost.
		<i>Miles.</i>	
Abuyog-Baybay.....	Leyte.....	32.00	₱290,000
Ligao-Tobaco.....	Albay.....	17.00	230,000
Gumobatan-Jovellar.....	do.....	9.75	
Camiling-Paniqui.....	Tarlac.....	12.00	52,800
Solano-Banaue.....	Nueva Vizcaya.....	83.30	60,000
Cotta-Barra.....	Tayabas.....	3.00	24,000
Total.....		157.05	656,800

The following tabulation shows the location and approximate length of roads surveys of which have been authorized and are in progress:

Road surveys authorized and in progress.

Termini.	Provinces.	Date of authorization.	Length.
			<i>Miles.</i>
Various	Ilocos Norte	Mar. 12, 1904	25
Magdalena-Lucban	Laguna, Tayabas	Jan. 23, 1903	15
San Juan de Guimba-Victoria, via Tarlac	Nueva Ecija, Tarlac	Sept. 1, 1903	18
Various	do.	do.	25
Cabanatuan-Cuyapo	Nueva Ecija	Nov. 7, 1903	31
San José de Buenavista-Iloilo	Antique, Capiz	Nov. 17, 1903	66
Capiz-Iloilo	Capiz, Iloilo	Dec. 2, 1903	82
Balanacan-Boac	Tayabas	Nov. 30, 1903	9
Loboc-Ubay	Bohol	Mar. 10, 1904	50
Subig Bay-Dinalupihan	Bataan	Mar. 29, 1904	14
San Fernando-Dinalupihan	Bataan, Pampanga		20
Angeles-Dinalupihan	do.		22
Valle Hermosa-La Castellana	Oriental Negros and Occidental Negros	Nov. 10, 1903	20
Guinigaran-La Castellana	Occidental Negros		18
San Enrique-La Castellana	do.		16

HIGHWAY BRIDGES NOT INCLUDED IN OTHER ROAD PROJECTS.

Parañaque, Rizal Province.—Authorization of investigation on which to base designs and estimates for a bridge across an estero at Parañaque, Rizal Province, is dated December 19, 1902. This bridge was built by the military authorities, probably in 1900, and consisted of a pile trestle 232 feet long, constructed of native timber. It was abandoned early in 1903, the piles having been destroyed by the action of sea worms. A ferry, consisting of three bancas to which a platform is attached, was substituted therefor. While the site is favorable for the erection of a steel bridge, a protected pile trestle bridge was designed and recommended for construction on account of its suitability, convenience of maintenance, and because the first cost, ₱15,000, is about one-half that of a steel structure.

This project is now before the Commission.

Bayombong-Bautista, Pangasinan Province.—Investigations relative to this proposed bridge across the Agno River were authorized under date of August 28, 1903, and the same were made by Mr. C. F. Vance, supervisor. A bridge about 500 feet in length will be required. The cost of piers and abutments will be expensive, since soft material exists at the site of the proposed bridge to a depth of about 40 feet. On this account the cost of a seven-span railroad bridge, 494 feet long, near this proposed site, was ₱245,000.

The conditions existing are favorable for the construction of a cable ferry, estimated cost being ₱5,200, and it was therefore recommended to the Commission November 16, 1903.

Culmay River bridge at Dagupan, Pangasinan Province.—This bridge is one of the two principal bridges in Dagupan. It consists of 31 pile bents, spans 20 feet each, and was rebuilt about three years ago. One span, movable to permit the passage of small steamers and lorchas, had been closed on account of the weakened condition of the trestle. Investigations of this structure were authorized under date of August 14, and report thereon submitted August 25, 1903.

A new structure will soon be necessary, and the construction of a steel bridge having a movable span giving a clear channel 25 feet in width has been recommended. The province is now devising means for providing funds for the construction of a steel bridge across the Calmay River and one across the Pantel River; estimated cost, about ₱100,000.

The provincial supervisors are keenly aware of the necessity of increased transportation facilities in the development of the various provinces, and that the prosecution of road work is equivalent to the establishment of a practical and extensive manual training school, resulting in large civilizing influences and in agricultural and commercial developments. The estimate has been made that on the average each province would require for a reasonably complete development of its resources about 400 miles of road, at a cost of ₱2,000,000 for construction and repair. The desired results may be attained in the course of several years by a comprehensive system outlined for each province, and the work accomplished based only on such a system.

The provincial law requires that taxes to the amount of one-eighth of 1 per cent of the assessed valuation of land shall be collected and applied to the construction and repair of roads and bridges. In general all of the provinces have also drawn from the general funds on account of the present inadequacy of this measure. Unfortunately the existing conditions require that a large percentage of available resources shall be given to minor repairs, making the road passable during the dry season, and that this expense must be incurred annually on identical roads, without any permanent repairs being accomplished.

During the past fiscal year, while the revenues of the provinces have been light and while the duties of the supervisors have been largely in other lines, considerable activity has been shown in road construction. The aggregate provincial expenditures for the repairing of roads and bridges, as per the annual reports of the supervisors, is ₱961,327.67, nearly equaling the amount appropriated from Congressional relief funds by the special acts cited. The aggregate total mileage of roads constructed and repaired is 1,915.3 miles, of which 252.7 miles is new construction.

It is significant to note that while all of the appropriations for the roads previously discussed are from the Congressional relief fund, the government has assisted the provinces from this same fund for a similar purpose to the extent of ₱537,885.41. In other words, it appears that provincial and municipal revenues have furnished only ₱423,442.26 for this important work, and that practically none of the insular revenues have been expended for road repair and construction.

It is desirable that the progress attained during the past year on the improvement of roads should continue for a period of at least five years, in order that the necessary system of highways required by the agricultural interests may be constructed in a fair and reasonable manner, and that suitable laws providing for the preservation of constructions and for the maintenance of highways may be enacted. The compilation of such laws is in progress, and will be submitted for action in the near future.

HARBOR IMPROVEMENTS UNDER CONTRACT.

Cebu Harbor improvements.—A description of this project appears on pages 210–211 of the Report of the Philippine Commission, 1903, part 3.

Advertisement of this contract was made under date of May 1, 1903, bids to be opened June 15, 1903. Jones & Smith, of Manila, P. I., were the only contractors submitting bids on this project. On account of irregularity in several items, their bid was rejected and the project was readvertised under date of October 1, 1903, bids to be opened February 1, 1904. Advertisement was made in the islands and in the United States, plans, specifications, and proposals being placed on file at the United States engineer offices in New York, Chicago, San Francisco, and Portland, and at the Bureau of Insular Affairs, Washington, D. C. The opening of bids was postponed from February 1 to March 1, and J. G. White & Co., of New York, were the only bidders. Contracts were entered into with this firm under date of March 30, and approved by the civil governor April 5, 1904.

The contractors requested certain modifications of plans and extension of time for beginning work on the project. Supplemental specifications and contract were signed June 17, 1904, and approved by the civil governor. Under this supplemental agreement the estimated cost of the project is \$452,910.07. Additional to this sum, the government will be required to furnish to the contractor about 30,000 barrels of Portland cement.

The time of beginning work was extended to April 1, 1905, completion to be September 1, 1906. The original contract aggregated, as per quantities specified, \$493,727.07 under proposal "A," and \$469,402.21 under proposal "B," contractor's plant to be transferred to the government of the Philippine Islands.

Quantities and prices contained in the final proposal follow:

Material.	Quantity.	Unit price.	Amount.
Concrete.....cubic yards..	30,600	\$6.30	\$192,780.00
Gravel filling (as required).....		a .85	
Oregon fir piling.....linear feet..	123,300	.90	110,970.00
Dungeon piling, including cast-iron caps (as required).....		b 2.50	
Oregon fir timber, including bolts, spikes, etc.....feet B. M..	510,160	c 75.00	40,512.00
Dungeon timber, for fenders and backlogs, including bolts, spikes, etc.....feet B. M..	63,610	c 175.00	11,131.75
Riprap stone in place (as required).....		a 2.50	
Dredging (to be paid for as fill).....cubic yards..	203,159	.48	97,516.32
Iron used in snubbing posts or cavels, in place (as required).....		d .10	
Grand total.....			452,910.07

a Per cubic yard.

b Per linear foot.

c Per thousand.

d Per pound.

Iloilo Harbor improvements.—This project is described on page 211, Report of the Philippine Commission, 1903, part 3.

The advertisement for this contract was made coincident with that for the Cebu project and similar action was taken thereon. The bids were opened March 1, 1904, and contract with J. G. White & Co., of New York, was entered into under date of March 30, 1904, and approved by the civil governor April 5. The amount of the bid was \$229,752.50.

An extension of time in beginning work was requested and approved, work to begin January 1, and to be completed November 1, 1905.

Material.	Quantity.	Unit price.	Amount.
Fascines, including saplings in place.....cords	5,340	\$4.00	\$21,360.00
Piling in place.....linear feet	25,400	.70	17,780.00
Stone in place, complete.....tons	30,050	2.25	67,612.50
Dredging, including back filling, complete.....cubic yards	410,000	.30	123,000.00
Total.....			229,752.50

While the above contracts for Cebu and Iloilo harbor improvements are in excess of the appropriations provided for by acts 640 and 641, a resolution of the Commission, dated July 19, 1904, confirms the contracts and states that appropriations will be made when necessary to cover the additional expense.

Temporary timber wharf at Cebu, P. I.—The necessity of relieving the expensive and congested lighterage condition of this harbor prior to the completion of the larger project was met by purchasing the Veloso dock and constructing an extension thereto. Authorization for an expenditure of \$30,000 for this work is dated September 25, 1903. Advertisement of this contract was made under date of October 27, 1903, bids to be opened November 24. The contract was awarded to Messrs. Jones & Smith, Manila, whose bid follows:

4,000 linear feet of piles, at \$1.79.....	\$7,160.00
4,000 feet B. M. of walgs and horizontal ties, at \$1.75.....	700.00
54,000 feet B. M. of caps, braces, and decking, at \$.95.....	5,076.00
1,100 cubic yards of embankment, at \$2.70.....	2,970.00
Total.....	15,906.00

Act 1020, dated December 4, 1903, appropriates \$20,000 for this project. The contract was entered into and approved by the civil governor under date of December 29, 1903. The project was to be completed on May 1, 1904. On account of difficulty in securing piling and other timber, the contractors requested an extension of sixty days in order to complete the work. This request was granted, under approval of the civil governor, May 6, 1904. Further extension of time for completion of project to July 24 was granted June 28, 1904. At the end of the fiscal year the contractors had earned on this project \$8,837.70. The work is still under prosecution and it is probable that further extension of time will be necessary.

Repairs to the sea wall at Iloilo, P. I.—The sea wall at Iloilo was constructed prior to American occupation. It consists of a thin rubble wall resting on a riprap foundation. This foundation failed and the wall was ruptured for a length of about 300 feet.

Repairs were authorized by resolution of the Commission under date of January 6, 1904. Work was commenced January 25 and finished March 30, 1904, at a cost of ₱1,250.50, under the immediate direction of Mr. M. W. Tuttle, provincial supervisor. The cost was paid out of the regular appropriation for public works, bureau of engineering.

Practically all of the harbors are lacking proper wharfage facilities. Vessels necessarily anchor about 1 mile from shore, and lighterage is accomplished by cascoes, from which the goods are packed to the beach by men or carabao carts, which are driven as far as possible into the surf. The resulting expense in the discharge or shipment of cargoes is large and considerable damage to goods is incurred.

The characteristic bar formation at the mouth of the larger rivers prevents their utilization by seagoing crafts. The areas served by these rivers are comparatively extensive. Tabulations showing the principal rivers appear on pages 217-222, part 3, Report of the Philippine Commission, 1903.

While liberal provisions have been made during the past year to meet the needs of the ports of Manila, Cebu, and Iloilo, measures to provide suitable piers or wharves for the smaller harbors and to extend the possibilities of water transportation have been slight.

An examination of the vessels engaged in coastwise trade shows that it is desirable in dredging and pier construction to provide for a draft of at least 12 feet, and preferably of 18 feet, while at the more important harbors, as Manila, Cebu, and Iloilo, provision must be made for the ocean vessels engaged in export trade.

Additional to the importance of this subject in the development of the islands, it is probable that the construction of suitable piers would furnish reasonable returns on the money invested, provided equitable wharfage fees were collected.

The saving per ton of cargo shipped or discharged at a small pier instead of by the usual lighterage method is estimated at ₱1. In general the provincial capital and military post are adjacent to the more important harbors. A large proportion of this saving would accrue immediately to the government, since a similar proportion of the trade is required by the civil and military authorities.

These piers must be constructed of material capable of resisting the attack of the teredo and other sea worms. A few varieties of native timber are satisfactory for such purposes, as well as concrete and iron.

The following tabulation shows the minor projects on harbor improvements, investigations of which have been authorized:

Location.	Date of authorization.	Proposed construction.	Remarks.
Batangas, Batangas....	Oct. 10, 1903	Pier.....	Investigation completed and submitted to Commission Jan. 10, 1904; estimated cost, ₱50,000; action postponed indefinitely May 4, 1904.
Lucena, Tayabas.....	Oct. 2, 1902	Pier and jetty....	Investigation completed and submitted to Commission Dec. 23, 1904; estimated cost ₱1,400,000; construction not recommended.
Lake Nanguyudan, Ilocos Norte.	Oct. 27, 1902	Harbor of refuge..	Preliminary report submitted July 6, 1904; expenses of construction large; not recommended; action indefinitely postponed.
Puerto Princesa Paragua.	Jan. 6, 1904	Pier.....	Investigation in progress.
Pasacao, Ambos Camarines.	Feb. 9, 1903	Jetty.....	Do.
Tacloban, Leyte.....	Mar. 22, 1904	Pier.....	Do.
Legaspi, Albay.....	Mar. 23, 1904	.....do.....	Do.
Vigan, Ilocos Sur.....	Sept. 22, 1904	Pier and jetty....	Do.

Investigations have been requested, but not authorized, for harbor improvements at Tagbilaran, Bohol; Aparri, Cagayan, and at San Fernando, La Union.

Control of the Tarlac and Pampanga rivers.—The project is briefly described on pages 212-213, part 3, Report of the Philippine Commission, 1903. While no comprehensive system of surveys has been authorized, data are being collected from various surveys on highways by assistant engineers and supervisors. Several gauges have been

set, high and low stages of the water are being determined, and data on rainfall compiled. The coast and geodetic survey are arranging a system of triangulation from Manila Bay to the Gulf of Lingayen, which will cover the greater portion of the affected area and reduce the cost of the necessary topographical surveys.

Special investigations for the control of the Tarlac River are in progress, which will decrease the high-water stages of the Pampanga in case the proposed works are constructed.

These areas subject to overflow include some of the richest rice land in the islands and are thickly populated. The proposed protection in connection with a control by the government of the irrigation system-connected therewith is a problem of large importance. It will require extended observation and the collection of reliable data before designs and estimates can be completed, and it merits insular assistance.

River encroachments.—Heavy precipitations during the rainy season and the steep rocky slopes at the upper portion of practically all watersheds cause destructive high-water stages with a swift velocity in all of the principal rivers. The typical alluvial formation of the lowlands gives a river bank capable of offering but a slight resistance to floods, resulting in an encroachment of the river upon the various town sites. Several requests have been made by various municipalities for the construction of protective works. In general, the banks are high and the cost of proposed works is large in comparison with the value of property protected. Insular revenues can not fulfill all requests presented for protection to private interests. United action by the owners of endangered property to meet the necessary expense is not attempted.

Surveys and investigations on which designs and estimates of cost may be based have been authorized for the following:

Santa, province of Ilocos Sur.—This town is located on the Abra River and has a population of 1,904. The general elevation of the land is 25 feet above low water and it is overflowed in times of high floods. The soil is fine sand and clay. Investigations were authorized September 22, 1903, and are now in progress.

San Isidro, province of Nueva Ecija.—This town is the capital of the province and located on the Rio Grande de la Pampanga. It has a population of 5,084. The local features are similar to those at Santa.

Investigations of a general nature were authorized in connection with the overflow of the Tarlac and Pampanga rivers and are in progress.

Calivo, Capiz Province.—This town is located on the Aclan River and has a population of 3,547. It is one of the most important towns and shipping points of the province. Local features are similar to those at Santa. Investigations were authorized March 2 and are now in progress.

Pansipit River improvement, Batangas Province.—This project is briefly described on pages 211–212, part 3, Report of the Philippine Commission, 1903.

Estimates of the cost of a canalization of the river, the entrances thereto from the lake and the ocean, and the necessary bridge, lock, and dam construction required, based upon revised design for a construction suitable for vessels of 10-foot draft, aggregate ₱1,522,000

This cost, in connection with additional harbor work necessary within the lake, and the probable development of railroads through the region served, justifies the recommendation that further action be delayed until the necessities for improved transportation warrant the necessary outlay.

Apat Canal, Tayabas Province.—Authorization of a reconnaissance survey to determine the possibilities of water communication connecting the Pacific Ocean and the China Sea from the Bay of Apat to the Gulf of Ragay, Tayabas Province, by the construction of a canal between the headwaters of the Apat River and the Guinayangan River is dated November 30, 1903. At present these rivers are of slight importance. The location through which this improvement would pass is sparsely inhabited and the topography is not well known.

The distance across Luzon at this peninsula is about 25 miles; the distance to the San Bernardino Straits is about 150 miles. The decrease in time for vessels sailing from the eastern coast of the island to Manila would be about one day. The advantage to local shipping would be of large value.

No work has been done by the coast and geodetic survey in the terminal bay and gulf, and it has been reported that extensive shoals exist in the vicinity of the mouths of these rivers.

A survey party is now in the field, to whom this investigation has been assigned.

WATER-POWER DEVELOPMENT.

Botocan Falls.—Investigation relative to the development of the Botocan Falls, briefly described on page 214, part 3, Report of the Philippine Commission, 1903, were completed November 7, 1903. The final report by Mr. A. H. Perkins, assistant engineer, was submitted to the Commission December 22, 1903. These investigations indicated an expense necessary for suitable development somewhat high as compared with the power available.

The total cost of these surveys was ₱9,556.67.

Caliraya River.—Mr. Perkins began investigations of the Caliraya project November 11, 1903, and his report thereon was submitted to the Commission March 23, 1904. The development of this river is a more feasible project than the one described above. The need existed for more accurate and extended data on minimum discharge, rainfall, and area of watershed. Mr. H. F. Labelle, assistant engineer, was assigned to this work on April 22, 1904. Extensive gaugings of the stream were made to determine the low-water flow, the watershed area was surveyed, and, through the courtesy of the Philippine weather bureau, a rain gauge was established at San Antonio, a town located within the watershed. A river gauge was also established. Observations at these two stations are now in progress.

The theoretical horsepower available at the proposed power house, with a moderate storage, is estimated at about 6,000. For about one-half of the year, or during the rainy season, this amount can be trebled.

Cost of Caliraya surveys from November 11, 1903, to September 1, 1904, was ₱7,971.38.

The constructive features of this development are as follows: By the construction of a dam on the river the water would be diverted into a canal 2.33 miles long to the brow of the bluff, where it would fall through penstocks 800 feet to the power house near the Lumbang River. The power would thence be transmitted to Manila, a distance of 61 miles. To meet the dry-season flow and husband the flood waters storage reservoirs would be established on the river at suitable points. Mr. Labelle's report dealing with the above features is in progress. This development can be carried out at comparatively small cost and does not require exceptional engineering features. The capacity of the plant can be increased at any time by diverting the Lomot River to the Caliraya. The question of storage, which is the life of the whole project, should, however, be solved satisfactorily before the feasibility of the development can be determined. It is very probable that the necessary reservoir sites will be found in the watershed.

Angat River.—Mr. J. G. Holcombe, principal assistant engineer, made an examination of the power development of the Angat River, proposed by the Electricista Company, and for which a franchise was requested August 27, 1903.

This preliminary examination shows that it is feasible to develop the proposed 6,000 horsepower. The estimated cost is understated, and it now appears that either the Botocan or Caliraya projects are preferable thereto on account of the first cost of the proposed project.

The project involves the construction of a dam, a tunnel 1,354 meters in length, a canal 10.26 kilometers long, with one viaduct crossing the Angat River, and leading to the first power house, at which a head of 40 meters is available; thence the water is lead by a canal 5 kilometers long to the second power house, where 21 meters head is available.

Agno River.—During May, 1904, a preliminary examination was made of the Agno River, southern part of Benguet Province, by Mr. L. E. Bennett, superintendent, Padre Juan Villaverde trail, with a view of determining the feasibility of the power development of that river. These investigations show that practically 3,300 horsepower might be developed by the low-water flow. However, the country is very rough and difficult of access, and no further action is proposed until the information already acquired can be laid before the expert, whose services are provided for by Act No. 638.

MUNICIPAL WATERWORKS.

Calapan, Mindoro Province.—Investigations upon the feasibility of constructing waterworks and insuring a supply of pure water for this town were authorized August 28, 1903. The population of the town is 1,294. Investigations were made by Maj. J. F. Case, engineer, new waterworks system, city of Manila, and his report was submitted to the Commission November 15, 1903.

This investigation was desired mainly in view of a proposition to change the provincial capital from Calapan to Puerta Galera, on account of increased harbor facilities and the water supply available at the latter place.

Pagsanjan, Laguna Province.—Surveys on which to base designs and estimate of the cost of providing a water supply for this town

were authorized April 11, 1904. Mr. Max Dobbins, assistant engineer, made the necessary surveys and his report is dated June 30, 1904. The topographical map accompanying his report is of permanent value for municipal improvements that may be desired within a reasonable period. The cost of the survey was ₱1,514.

The population of the town is 3,033 adjacent barrios to be served by the proposed supply will increase the number by 500. The project consists of pumping the water from springs of exceptional purity located about one-half mile from the town, to a reservoir on an adjacent hill, from which point the supply will be distributed by gravity. Of the three springs available only one would be utilized until there is a considerable increase in population. The estimated cost is about ₱30,000.

The interest shown by Pagsanjan in municipal improvements is noteworthy, and merits the insular assistance given in making this survey. A considerable portion of the funds necessary for this project have been raised within the municipality, but construction works have not been authorized.

LAND SURVEYS.

Government farms.—Surveys of the agricultural farms San Ramon, Mindanao, and La Granja Modelo, Negros Occidental, were authorized September 18, 1903. The former was completed January 13, 1904, by Mr. A. H. Higley, chief draftsman. A topographical map suitable for designing and estimating the cost of irrigating work was prepared. The area of San Ramon is 982.2 hectares; cost of survey, ₱1,051.70.

The latter survey was completed December 8, 1903, by Mr. J. C. Mulder, assistant engineer. The survey included the estate of Alejandria, area 134.994 hectares, the area of La Granja Modelo being 684.845 hectares, a total of 819,839 hectares. Cost of survey, ₱806.58.

Resurvey of the friar lands.—Instructions were received from the honorable the civil governor, under date of January 20, 1904, to resurvey the friar lands included in the four contracts signed December 22, 1903.

A summary of these estates as per said contracts follows:

The Philippine Sugar Estates Development Company, Limited, estates formerly the property of the Dominican Order, eight combined estates, or eleven separate estates.	11
La Sociedad Agrícola de Ultramar, estates formerly the property of the Augustinian Order (including the estate in the Province of Isabela, patented by the Spanish Government to this order, and survey of which was not attempted).....	18
The British-Manila Estates Company, Limited, estates formerly the property of the Recoleta Order.....	1
The Recoleta Order, the San José estate in Mindoro (survey of which was not attempted)	1
Total.....	31

in which the total aggregate area was given as 164,120 hectares.

The preparation of general instructions was immediately commenced upon methods of records and computations for both field and office, the organization of field parties, and the prosecution of the work, all based upon available forces, equipments, and results to be attained.

The only data available on which to base these surveys were copies of the said contracts, and tracings and tabulations prepared by

Señor Juan Villegas, surveyor, under the direction of the Commission during the years 1901-2. The field notes of Señor Villegas had been lost and destroyed by fire. Copies of the original maps, some of which were nearly 300 years old, based on surveys made by the friars, were available later, having been secured by the legal representatives, Messrs. Del Pan, Ortigas, and Fischer. These maps were of material assistance in verifying surveys made and in completing work in hand.

The greater portion of the boundaries of these estates was through regions difficult to survey by the use of the chain, on account of the dense tropical vegetation—bamboo, vines, mangrove swamps, cogon grass, etc.—and they also passed over considerable rugged country difficult of access. The number of men familiar with chaining was limited; the time within which it was desired to complete the surveys was not sufficient to train reliable native chainmen, and for other reasons it was deemed economical, expedient, and sufficiently accurate for the problem in hand to employ the familiar stadia method of measurement, under such instructions as would attain to a degree of accuracy well within the limits of error ordinarily established for such surveys; and, in general, to conform in results to the requirements of the court of land registration. Furthermore, for similar reasons, it was necessary to confine the survey to the perimeter of the estates, securing only such adjacent and descriptive topography as would assist in a relocation of the boundary lines.

Ten survey parties were placed in the field; four were sent out February 13, two the 19th, one the 20th, two the 26th, and one April 9. Field work was practically completed early in May, and the months of May and June were occupied in office work, computations, mapping, and in the preparation of technical descriptions of the various estates surveyed.

The total cost of the resurvey, including both field and office work, is ₱36,299.68. The total area involved is 158,068.54 hectares. The average cost per hectare is ₱0.31. The total length of boundary line is 577.06 miles, and the average cost per mile of boundary line is ₱73.54.

It is interesting to note that these unit costs for the smaller estates are far in excess of the total average cost, and are very irregular. This increased cost is due mainly to the high proportional cost of monumenting, transportation to and from the site of the work, and to the expenses incurred on account of office computations, mapping, printing, etc., which was much larger in proportion to area surveyed than for the larger estates.

In accordance with the verbal instructions of the honorable the civil governor, no surveys were made of the Isabela and the Mindoro (San Jose) estates.

The contract dated December 22, 1903, provides for shortages in areas as follows:

* * * That if the Philippine government shall notify * * * that the area of any hacienda or parcel as described in the title deed thereof falls short of the superficial area thereof as shown by Villegas's survey of the same, then the parties hereto shall cause a joint survey of the same to be made by the agent of each, and if the true survey shall show the area of the hacienda or parcel to be less than as stated by Villegas and in the list as hereinbefore set forth, the price herein to be paid shall be abated by an amount to be ascertained by multiplying the number of hectares short into the average value of a hectare in the hacienda or parcel in question as shown by dividing Villegas's total valuation of such hacienda or parcel by the total number of hectares contained therein according to his survey plus

twenty-five per cent thereof; and if, on the other hand, the true survey shall show an excess of hectares over the amount reported by Villegas, then the price to be paid shall be increased by an amount to be ascertained in a similar manner.

The total shortages found in the estates included in the four contracts cited, and their value as per conditions therein, are as follows:

I. The Philippine Sugar Estates Development Company (Limited) (estates formerly the property of the Dominican Order): The total shortage in area found in the five estates of Santa Maria, Orion, Naic, Calamba, and Biñan aggregates 6,050.6775 hectares, the computed value of which is ₱481,354.46.

II. La Sociedad Agrícola de Ultramar (estates formerly the property of the Augustinian order, and including the estate of Isabela, patented by the Spanish Government to this order, survey of which was not made): The total shortage in area found in the three estates of Dampol, San Francisco de Malabon, and Muntinlupa aggregates 4,155.6546 hectares, the computed value of which is ₱261,890.96. The total shortage of area found in the original maps of the Isabela estate (not surveyed) is 528 hectares, the computed value of which is ₱9,694.

III. The British-Manila Estates Company (Limited) (estates formerly the property of the Recoleta order): The total shortage in area found in the Imus estate is 176.5612 hectares, the computed value of which is ₱17,975.70.

IV. The Recoleta order (the San Jose estate in Mindoro, survey of which was not made): The total shortage in area found in the original maps of the San Jose estate is 605 hectares, the computed value of which is ₱15,953.85.

The total of these shortages in area, as per the resurveys, aggregates 11,515.8923 hectares, the computed value of which is ₱786,868.97.

A statement of these shortages has been submitted to the representatives of these four companies, in accordance with the instructions of the honorable the civil governor, and the question of a joint resurvey is now under consideration.

Special charge of the various survey parties was assigned to Mr. Charles H. Kendall, acting railroad engineer.

The following tabulations show the location of the various estates, the principal results derived, the cost of the survey, and a list of the assistant engineers in charge of the various field parties.

Tabulation of *Irria-land resurvey.*

Location.			Date when acquired.	Area in hectares as per resurvey.	Error of closure 1 in—	Total cost of survey, Philippine currency.	Average cost per hectare, Philippine currency.	Length of boundary lines. Miles.	Average cost per mile of boundary line, Philippine currency.	Assistant engineer in charge of field party.
Town.	Province.									
AUGUSTINIAN ESTATES.										
Dampol.....	Bulacan.....	1834	928.93	1,150	1,160.00	1.25	9.17	126.50	F. D. Hayden.	
Recolecto.....	do.....	1727	512.34	4,060	519.33	1.01	67.58	357.58	Do.	
Maung-Ilang.....	do.....	1633	255.72	2,460	2,090.89	8.06	5.76	337.79	F. B. Dobbs.	
Malapad.....	do.....	1736	8.11	1,980	77.50	9.56	.50	155.00	F. D. Hayden.	
Matano.....	do.....	1727	11.80	1,470	120.03	10.17	.95	136.34	Do.	
Ringbang.....	do.....	1669	294.75	1,100	473.83	1.61	5.30	89.38	H. F. Flynn.	
Agat.....	do.....	1714	3,574.00	2,570	790.98	.22	21.34	37.07	A. H. Higley.	
Matinta.....	do.....	1714	4,696.00	2,570	1,157.67	.17	25.24	45.79	Do.	
Tatla.....	Rizal.....	1833	3,860.00	1,040	767.94	.30	20.12	38.16	Do.	
Bedad.....	do.....	1833	87.42	1,730	262.90	3.01	3.11	44.53	F. D. Hayden.	
San Marcos.....	Bulacan.....	1727	72.43	4,580	577.21	7.94	3.43	33.77	Do.	
Ambon.....	do.....	1768	56.65	1,870	241.18	4.26	1.96	123.05	Do.	
Barajan.....	do.....	1742	40.43	1,080	210.55	5.28	2.14	98.39	Do.	
Marquilla.....	do.....	1746	40.43	1,080	210.55	5.28	2.14	98.39	Do.	
Malabon.....	Cavite.....	1877	11,449.00	4,100	2,486.01	.22	40.59	61.23	H. F. Flynn.	
Bunlad.....	Cebu.....	1872	1,925.00	370	740.40	.38	13.23	55.91	T. W. Allen.	
Talisay.....	do.....	(Before 1738)	8,020.00	450	1,527.60	.19	29.93	51.07	Do.	
Isabela.....	do.....	1881	(19,891.00)	870	1,623.30	.57	(37.33)	91.25	H. F. Flynn.	
Muntinlupa.....	Laguna.....	1653	2,827.00	870	1,623.30	.57	17.79	91.25	Do.	
Total.....			40,619.58		14,793.32		238.24			
DOMINICAN ESTATES.										
Lolomboy.....	Bulacan.....	1642	4,901.00	2,700	1,038.36	.21	26.82	38.69	A. H. Higley.	
Santa Maria.....	do.....	1642	10,339.50	1,050	2,247.64	.22	30.86	56.39	H. F. Flynn.	
Toro.....	do.....	1640	186.59	1,240	181.94	3.14	2.03	85.84	A. H. Higley.	
Lolomboy.....	do.....	1642	176.72	1,240	198.43	2.88	4.65	67.25	D. J. Richards.	
Do.....	do.....	1642	75.17	10,700	118.00	1.95	2.21	67.25	Do.	
Orion.....	Bataan.....	1637-1673	916.00	1,000	775.00	.85	12.21	63.47	F. D. Hayden.	
Nale.....	Cavite.....	1821	7,624.00	1,300	2,697.06	.32	28.63	87.21	F. C. Mader.	
Santa Cruz.....	do.....	1761	9,735.00	1,300	2,957.93	.30	36.66	87.21	H. C. Sinton.	
Cauma.....	Laguna.....	1821	13,672.00	1,800	2,272.14	.31	37.49	101.20	W. C. Sinton.	
Santa Rosa.....	do.....	1745	3,470.00	1,400	2,154.06	.47	24.05	102.75	V. Meadowcroft.	
Binan.....	do.....	1745	3,659.00	7,930	1,784.54	.49	25.65	69.57	D. J. Richards.	
Total.....			56,653.96		18,769.52		238.49			

Tabulation of *irrigation* resurvey—Continued.

	Location.		Date when acquired.	Area in hectares as per resurvey.	Error of closure 1 in—	Total cost of survey, Philippine currency.	Average cost per hectare, Philippine currency.	Length of boundary lines.	Average cost per mile of boundary line, Philippine currency.	Assistant engineer in charge of field party.
	Town.	Province.								
RECOLETO ESTATES.								Miles.		
Imus.....	Imus.....	Cavite.....		18,243.00	865	2,736.85	.15	46.85	58.42	A. H. Higley.
San Jose a.....	San Jose.....	Mindoro.....		(22,661.00)				(46.15)		
Grand total.....				115,516.54		36,299.60	.31	493.58	73.54	

a Not surveyed.

RAILROADS.

Mr. Charles H. Kendall, assistant engineer, was assigned to the position of acting railroad engineer November 1, 1904. His report on the work accomplished by the bureau, together with a brief history of the Manila Railway Company (Limited) is attached hereto, and forms a part of this report.

The diagrams of the operation and revenues of the Manila and Dagupan Railway are especially interesting, showing graphically the principal source of revenues, the volume of business and its nature.

The length of the Manila and Dagupan Railway is 196 kilometers, the total length of extensions granted by the franchises for five separate lines contained in Acts Nos. 554, 555, and 703 is about 140 kilometers. The Cabanatuan and Antipolo extensions are important in that they may be regarded as the first sections of lines leading from Manila northerly through the central portion of Luzon and easterly to the Pacific. Their present locations are through thickly populated regions. Immediate profits upon opening these extensions are assured, and their construction tends to control the larger projects involved.

The question of a standard gauge for the islands is important, and should be settled in the near future. Already two gauges exist, namely, the 3 foot 6 inch gauge in use by the Manila Railway Company, and the United States standard gauge, by the Manila Electric Railway and Lighting Company. This company will be operating about 60 kilometers of line early in 1905. Its probable extensions, and the importance of having connections with lines operated by steam possible, make a consideration of its established gauge necessary in a discussion of this subject. Various gauges can not be successfully operated, and history shows that one gauge must ultimately be established throughout at least the island of Luzon, and preferably throughout the archipelago.

Data on this subject is being compiled from information furnished by various eastern countries, and upon completion will be presented for action. The gauge decided upon should be incorporated in all future franchises.

MISCELLANEOUS WORK.

Special committees created by resolutions of the Commission or by executive orders have required attention and in certain cases extended investigation. The following is a list of the more important committees of which the undersigned was a member:

Under date of August 24, 1903, a resolution of the Commission designated a committee to report on a topographical survey of the islands, and to recommend a system of beginning the same. The report was submitted February 6, 1904.

A committee was likewise appointed September 8, 1903, to investigate and report on existing conditions relative to the care of the insane, to investigate suitable sites and report on the cost of erecting a suitable asylum. A preliminary report was submitted under date of January 20, 1904. The work of the committee is not yet completed.

Resolutions of the Commission dated March 30 and April 7, 1903, relate to investigations for a water supply for the agricultural stock farm, the leper colony, and for the proposed penitentiary, and the selection of sites for these institutions on Culion Island, together with the location of roads, dock, and principal buildings. Mr. J. G. Holcombe, principal assistant engineer, was appointed on this committee in lieu of the undersigned April 10, 1903. This subject is briefly discussed on page 212, part 3, Report of the Philippine Commission, 1903.

Mr. W. H. Robinson, assistant engineer, completed surveys and maps of the various localities, and submitted reports under dates of August 15 and October 5, 1903. The required reports were completed and submitted to the executive secretary December 2 and 3, 1903.

The report required of the committee created by resolution of the Commission September 29, relative to procuring expert engineering advice on the new waterworks and sewer systems for the city of Manila, was submitted October 17, 1903.

The final report required of the committee appointed by executive order No. 89, dated October 17, 1903, and by resolution of the Commission dated December 29, 1903, relative to assignment of quarters in Oriente Hotel property, was submitted January 7, 1904.

Executive order No. 107, December 18, 1903, created a committee to investigate the accident at the Marivales quarry, and to determine the responsibility. This investigation required the testimony of several witnesses. The report was submitted May 12, 1904.

Executive order No. 14, March 30, 1904, appointed a committee to examine the bulkhead of the port works of Manila, to present plans for making it substantial and permanent, and the probable cost thereof, and to report on type of wharf best adapted to the needs of the port, and the probable cost of same. Several investigations were made to secure the necessary data. The report of the committee was submitted May 16, 1904.

Several minor investigations have required considerable time, data on artesian wells have been collected and compiled, standard designs of bridges and culverts for the use of supervisors and road superintendents and special designs for supervisor-treasurers have been prepared.

Questions relative to boundaries between provinces and municipalities have been studied, and a few provincial forms prepared. Various instructions for the guidance of survey parties and road superintendents have been issued.

Arrangements for the first annual meeting of the supervisors have received careful consideration. The principal subjects covered were: (1) The duties of the supervisors and laws relating thereto; (2) systematic office records; (3) organization of road repair and construction work; (4) methods of construction for various types of roads, including designs of culverts and bridges, and organization of maintenance gangs; (5) development of agriculture through a utilization of the knowledge acquired of modern methods of work and tools, etc.; (6) addresses have been requested of the heads or representatives of the bureaus, directly or indirectly related to supervisorships, as the insular purchasing agent, the auditor, the

treasurer, the civil-service bureau, etc.; (7) inspection trips have been planned to places of interest and value in connection with the works of the supervisors, as to the testing laboratories for cement and for timber, to Bilibid, to the forestry and city workshops, to the crematory, etc.

It is anticipated that the benefits of this meeting will materially assist in attaining to a higher efficiency in provincial work.

PROVINCIAL WORK.

Of the 40 provinces into which the archipelago is divided, 25 are provided with supervisors, 13 with supervisor-treasurers, the Moro Province with an engineer officer, and in Benguet these duties are performed by the provincial governor. Excepting the two provinces named, these officials are under the direction of this bureau in so far as relates to engineering work. The supervisors are, with few exceptions, men trained and experienced in engineering work. They are the only provincial officials intrusted with expenditure for public work. On account of other various duties it has been estimated that less than 15 per cent of their time is given to technical work. Also the executive bureau is placing the supervisorships more fully under the control of this bureau.

Considerable work has been done in systematizing methods of investigations, reports and construction, in simplifying provincial forms required, and in expediting provincial business in Manila. Plans for the reduction of clerical work required of the supervisor are under consideration. It is desired to utilize his services more fully along the line of engineering and construction, and to permit increased opportunity for field work.

The chief of supervisors, Mr. J. D. Fauntleroy, has immediate supervision of the supervisors in their relations to this bureau. His report is attached hereto.

ORGANIZATION AND PERSONNEL.

It has been the policy of the Philippine civil service bureau to regard this bureau as the "insular clearing house" for engineers appointed to duty, either by the bureau of insular affairs, or through examination held at Manila. It has been expected that the needs of the various bureaus employing engineers would be understood, and that a proper distribution of appointees in conformity to the necessities of such bureaus would be made. This policy has been met as fully as possible, although frequently experienced technical men were not available. Efforts to secure for service in the islands recent graduates thoroughly trained in the principles of engineering have not been successful in the past, and the demand has exceeded the supply. At present, however, the prospects of securing such assistants are more encouraging. The engineer of greatest use to the government should acquire, additional to high technical efficiency, a working knowledge of the language and an acquaintance not only with local conditions, but also with the characteristics of the inhabitants.

The demand upon the engineer has been for results rather than theories. Existing conditions offer to the young engineer opportunities for valuable experience and reasonably rapid promotion. The development of public works in the islands has been somewhat

crippled by the necessity of appointing men not sufficiently trained for the duties required. The bureau has been compelled to draw from its experienced men for filling technical positions required by other insular bureaus. It has been necessary to draw from the same source for the appointment of the provincial supervisors who are required by law to be engineers. It has also been necessary to detail assistant engineers to supervisorships made temporarily vacant by the supervisors who are taking advantage of accrued leave; also to detail engineers to provinces in which the office of supervisor does not exist, in order to take charge of public works when sufficient provincial funds have been accumulated to make such detail desirable.

The growth of the bureau measured by the somewhat unsatisfactory standard of correspondence handled is shown by the fact that at the beginning of the fiscal year about 500 communications were handled monthly, increasing to 1,500 at the close of the year. Measured by the total money expended for the operation of the bureau alone, its growth is shown by the fact that while about \$3,000 was expended monthly at the beginning of the fiscal year, this amount was increased to \$9,600 at the end of the year.

On account of these conditions all attempts to effect a permanent organization have been difficult to accomplish. It now appears that the work of the bureau is on a reasonably normal plane, and that the present organization will be more effective in discharging its duties and responsibilities. This organization consists of a subdivision of the bureau into the following general divisions:

DIVISION OF RECORDS.

(In charge of the chief clerk.)

This comprises all office records, excepting maps and field books; all property; receiving and mailing of all correspondence; the preparation of all returns, vouchers, and reports on authorized forms, and the immediate supervision of all clerks, stenographers, messengers, and such additional laborers as are employed in connection with the main office.

DIVISION OF SURVEYS.

(In charge of the chief surveyor.)

This comprises the preparation of general instructions and methods of work for field parties engaged upon authorized surveys and investigations; the organization, equipment, and prosecution of field work; the careful examination of final maps, designs, estimates and reports connected therewith, excepting the special investigations assigned to experts, and the supervision of all assistant engineers and employees engaged on the works herein cited.

DIVISION OF CONSTRUCTION.

(In charge of the principal assistant engineer.)

This comprises the preparation of typical designs; the completion of final designs and specifications; the preliminary organization of constructing parties, including inspection and testing of materials, and the prosecution of such works, whether under contract or by day labor, and the supervision of all assistant engineers and employees as are engaged on the works herein cited, excepting such special

constructions as are assigned to experts, and also excepting such works as are under authorization and prosecution by provincial boards.

DIVISION OF DRAFTING.

(In charge of the chief draftsman.)

This includes the general work of mapping, computing, and designing, the indexing and filing of maps and field books, the reproduction of maps, the collection of all available data on provincial boundaries and subdivisions, and the supervision of draftsmen and computers on the work herein cited.

DIVISION OF PROVINCIAL SUPERVISORS.

(In charge of the chief of supervisors.)

This comprises the general supervision of all supervisors, in so far as relates to the construction of roads and bridges and other engineering works authorized by provincial boards, the receiving, checking, and tabulation of reports, inspection, examination of designs and contracts, the issuing of typical designs and general instructions to provincial supervisors, and the compilation of data and laws relating to roads, navigable waters, and public works.

DIVISION OF RAILROADS.

(In charge of the railroad engineer.)

This comprises the examination of all points required by the provisions of the franchise under which railroads are now constructing, of all proposals for franchises submitted through the commission, of immediate supervision of railroad surveys and investigations authorized by the Commission, and of the compilation bearing upon the general subjects of location, construction, operation, and revenues, etc.

Existing conditions demand the creation of two other divisions in the near future—one a division of irrigation, to be in charge of an irrigation engineer, and the other a division of geography, to be in charge of a geographer.

The importance of irrigation in the agricultural development of the islands is large. The experimental farms are needing more or less development along this line. The estates included in the recent friar lands purchase have large irrigating systems. These lands will be subject to subdivision and sale in the near future; the repair and control of irrigating works will pass from one party to several. It is desirable that the government have general control of this subject. Conflicting private interests and requests for decision and for investigations have already arisen. A digest of existing laws, the formulation of practical laws controlling this subject, and the institution of an effective working system will require extended investigations. It is believed that provisions should be made for the establishment of this work in the near future.

Information as to the interior geography of the islands is deplorably deficient and inaccurate. The need of good maps is large for use in development and administration, and the lack is more evident than in the United States before national surveys were initiated. Sources of information are almost entirely lacking. Various surveys are in progress by the constabulary, by the military, by the forestry bureau, by the bureau of public lands, and by the bureau of engineering,

including work accomplished by the supervisors. No one bureau is compiling these various results, and doubtless much duplication of works exists. It would be of considerable advantage and also a matter of economy to compile data now available and to keep maps up to date.

Correct topographic maps will be of great assistance in the preliminary planning of engineering works, such as railways, highways, the improvement of waterways, irrigation, the development of water power and of water supply, in military operations both of the army and constabulary, in the administration of the government, for showing the extent of provinces and municipalities and the correct relation of towns, for the needs of the court of land registration, and for use in illustrating the resources of the islands, as public lands, forestry, agricultural products and minerals, as well as for other practical and scientific purposes. It is believed that it would be economy to establish the division of geography as outlined above, pending the prosecution of a comprehensive topographical survey of the islands.

The authorized personnel at the close of the fiscal year was a consulting engineer, 1 principal assistant engineer (J. G. Holcombe), 1 railroad engineer (C. H. Kendall, acting), 1 chief of supervisors (J. D. Fauntleroy), 1 chief surveyor (A. H. Higley), 1 geographer (vacant), 1 chief draftsman (F. P. Reynolds, acting), 7 assistant engineers, 18 transitmen (junior civil engineers), 1 chief clerk (F. R. Bonner), 7 clerks, 7 junior draftsmen (native), 10 surveymen (native), and 2 messengers (native), a total for the fiscal year ending June 30, 1904, of 69 employees, of whom 42 are technical and 27 nontechnical men, an increase over the previous year of 35 technical and 20 nontechnical employees. Additional to the above force, an indefinite number of temporary employees may be engaged, whose aggregate salaries during the year shall not exceed ₱12,000.

The 12 different roads being constructed from insular funds under the direction of this bureau require the services of 10 superintendents, of whom 5 are provincial supervisors; 64 foremen, including bridge carpenters and blacksmiths, 20 clerks, and about 7,000 native laborers.

EXPENDITURES.

The following tabulation shows the appropriations received for the operation of the bureau in accordance with the general appropriation acts Nos. 807, 1010, and 1049, total expenditures for the fiscal year, and the amount reverting to the treasury at the close thereof:

Money statement, Bureau of Engineering, fiscal year 1904.

[Philippine currency.]

Appropriations.	Contin- gent.	Transpor- tation.	Public works.	Salaries and wages.
Act 807, July 1, 1903.....	₱6,600.00	₱2,400.00	₱24,000.00	₱24,000.00
Act 1010, November 27, 1903.....				12,300.50
Act 1049, January 1, 1904.....	2,400.00	800.00	20,000.00	70,000.00
Total.....	9,000.00	3,200.00	44,000.00	106,300.50
Expenditures.....	8,865.89	2,701.16	36,439.05	104,838.19
Reverting to treasury.....	134.11	498.84	7,560.95	1,471.21
Total amount appropriated.....				₱162,500.40
Total amount expended.....				152,814.29
Total amount reverting to treasury.....				9,685.11

INCLOSURES.

The reports of the railroad engineer and the chief of supervisors, a map showing the principal provincial roads and trails, the roads under construction by the provisions of special acts of the Commission, and roads the survey of which have been authorized, all for the islands of Bohol, Cebu, Leyte, Luzon, Panay, Negros, and Samar, and 30 photographs accompany this report.

Respectfully submitted.

J. W. BEARDSLEY,

Consulting Engineer to the Commission.

MANILA, P. I., September 26, 1904.

REPORT OF THE DIVISION OF RAILROADS.

MANILA, P. I., September 24, 1904.

Mr. J. W. BEARDSLEY,

Consulting Engineer to the Commission, Manila, P. I.

SIR: I have the honor to submit the following report of the division of railroads, bureau of engineering, for the fiscal year ending June 30, 1904:

Acts Nos. 554, 555, dated December 8, 1902, and 703, dated March 27, 1903, were passed during the preceding year, granting authority for the construction of the Cabanatuan Extension, the Stotsenberg Branch and Bayambang Branch, and the Antipolo Extension, respectively. These acts are all similar, and of the nature of franchises. The Stotsenberg Branch was constructed and opened to the public the same year.

During the past fiscal year the location, plans, and profiles have been submitted in accordance with provisions of section 9 of the above-mentioned acts, to this office, and examined and approved for the other lines authorized, amounting to 117.56 kilometers, now either constructed or under construction. Nine inspection trips have been made for the examination of routes, right of way problems, crossings, etc., and the inspection of completed road-bed, structures, and equipment prior to the approval of the opening of the same. The opening to the public of two sections of the Cabanatuan Extension has been authorized. New and revised tariffs for the islands have been enacted, and rules and regulations governing the operations of all lines have been approved. Plans for a light tramway in Ambos Camarines under provisions of Act 1111 have been approved. Map projections of several lines throughout the islands have been made, and data acquired for the benefit of those interested in these projects, and with a view to further detailed study and field surveys in the near future. A survey has been authorized for the preliminary location of a line from Iloilo across the island of Panay to Capiz, and to a point on Bataan Bay. This survey is at present being prosecuted. The revised base tariffs and conditions of application are attached herewith as an appendix, with also a synopsis of the rules and regulations, approved to date.

Excepting the tramway provided for by Act No. 1111, all construction and operation is at present under the management of one company, the Manila and Dagupan Railway Company (Limited). A brief history of this road will be interesting here in connection with the statistics and workings of the same. A concession for the main line of this railroad, from Manila to Dagupan, was issued as a royal decree April 29, 1885. It was awarded to Mr. Edmund Sikes Hett, the only bidder, by royal order, January 21, 1887. Construction commenced in June, 1887, and was eventually completed May 20, 1894. The first company failed in August, 1890, and the present railway company purchased the road August 15.

The road was opened to public traffic as follows: First section, kilometer 0 to kilometer 43, March 21, 1891; second section, kilometer 43 to kilometer 87, February 22, 1892; third section, kilometer 87 to kilometer 120, June 1, 1892; fourth section, kilometer 120 to kilometer 196, November 23, 1892.

In November, 1896, the native insurrection against the Spanish Government broke out, and against the United States troops February 24, 1899. The railroad was under United States military control from November 21, 1899, until April 20, 1900, when it was returned to the present management. Since this latter date the road has not only regained the traffic it had previous to the disturbed conditions owing to the insurrection, but has entered upon a period of prosperous growth. The rates incorporated in the royal decree were in effect until April 20, 1900, an increase then being granted by military order. These rates operated until the inauguration of the revised tariff, January 1, 1904.

The following data is given of the main line and of its branches. The general statistics of the traffic and operations of this road, as indicated and compared graphically, shows its rapid rise, and it is interesting to note the prominent part third-class passenger traffic has in the revenues of the road. The total passenger earnings are double the freight earnings, and 95 per cent of this revenue is from the third-class passengers. The charts attached to this report show the traffic and the revenues for the ten years of its open service.

MAIN LINE, MANILA AND DAGUPAN RAILWAY.

The length of this line between termini is 196 kilometers; total length of tangent, 179.904 kilometers; maximum tangent, 11.468 kilometers; total length of curvature, 15.487 kilometers; maximum curvature, $4^{\circ} 22'$; average grade, 0.282 per cent; maximum grade, 0.8888 per cent; 155 masonry culverts, 0.5 to 2 meter spans; 184 bents, pile bridges, 4.8-meter spans; 177 steel bridges, 3 to 30 meter spans; 101 stations and buildings.

The gauge of main line and branches is 3 feet 6 inches. Forty-five-pound rails are used on main line, but 65-pound rails are required by the franchise previously quoted, and are being laid on the new lines. Six foot 8 by 5 inch Australian hard-wood ties, "jarrah," principally, are used throughout.

THE CABANATUAN EXTENSION.

The franchise was granted by Act 554, dated December 8, 1902, and was accepted February 5, 1903.

The termini of this extension are: Bigaa Junction (a distance of 27 kilometers from Manila), and Cabanatuan, province of Nueva Ecija (a distance of 91.5 kilometers).

The location plans and profiles were examined and approved in accordance with the provisions of said act, section 9, as follows: Kilometer 0 to kilometer 5, approved July 17, 1903; kilometer 5 to kilometer 20, July 31, 1903; kilometer 20 to kilometer 43, October 16, 1903; kilometer 43 to kilometer 58, April 5, 1904; kilometer 58 to kilometer 68, May 6, 1904; kilometer 68 to kilometer 78, May 24, 1904; kilometer 78 to kilometer 91.5, May 25, 1904.

Construction began July 11, sections of which were inspected and examined as follows: First section, kilometer 0 to kilometer 8 (Bigaa to Quingua), January 10, 1904; second section, kilometer 8 to kilometer 17.5 (Quingua to Baliuag), March 22, 1904.

Opening of completed portions was authorized as follows: First section, June 22, 1904; second section, March 28, 1904. Total length of tangent, 77.628 kilometers; maximum tangent, 8.714 kilometers; total length of curvature, 13.871 kilometers; maximum curvature, $5^{\circ} 49'$ for 420 meters, and 960 meters on $1^{\circ} 45'$; average grade, 0.379 and 0.600 per cent; maximum grade, 1.5 per cent for 660 meters, and 2,300 meters on 0.209 per cent; 22 masonry culverts, 0.5 to 1 meter spans; 266 bents, pile bridges, 4.8-meter spans; 41 steel bridges, 3 to 30 meter spans.

ANTIPOLO EXTENSION.

The franchise was granted March 27, 1903, and was accepted May 23, 1903.

The termini of this line are Manila and Antipolo, with a total length of about 40 kilometers.

The location plans and profiles were examined and approved, in accordance with the provisions of said act, section 9, as follows: Kilometer 0 to kilometer 5, approved October 22, 1903; kilometer 4½ to kilometer 9.1, November 9, 1903; kilometer 9.1 to kilometer 16.9 (Pasig station), March 30, 1904; kilometer 0 to kilometer 4.12 (Pasig to Marikina), March 30, 1904; kilometer 0 (equals 2.723 of above) to kilometer 4.64 (Rosario to Taytay), March 30, 1904; kilometer 0 to kilometer 0.423 (Ramal to Rio Pasig), March 30, 1904.

The plans and profiles from Marikina to Antipolo have not been submitted to date.

Construction began November 16, 1903, and is still in progress.

Total length of tangent, 20.685 kilometers; maximum tangent, 4.086 kilometers; total length of curvature, 5.434 kilometers; maximum curvature, $8^{\circ} 44'$ for 184 meters and 553 meters on $5^{\circ} 49'$; average grade, 0.340 and 1.391 per cent; maximum grade, 2 per cent for 300 meters, and 1,900 meters on 0.5 per cent; 13 masonry culverts, 0.5 to 1.5 meter spans; 50 bents, pile bridges, 4.8-meter spans; 32 steel bridges, 3 to 20 meter spans.

STOTSBERG BRANCH.

(Province of Pampanga.)

The franchise was granted by Act 555, dated December 8, 1902, and accepted February 5, 1903.

The termini are Dau (83 kilometers from Manila) and the military post at Stotsenberg, a distance of about 8 kilometers.

Construction began January 19, 1903, and the line was opened to military traffic March 18, 1903, and to the public on May 15, 1903. Inspection trips were made March 7 and

The following data is given of the main line and of its branches. The general statistics of the traffic and operations of this road, as indicated and compared graphically, shows its rapid rise, and it is interesting to note the prominent part third-class passenger traffic has in the revenues of the road. The total passenger earnings are double the freight earnings, and 95 per cent of this revenue is from the third-class passengers. The charts attached to this report show the traffic and the revenues for the ten years of its open service.

MAIN LINE, MANILA AND DAGUPAN RAILWAY.

The length of this line between termini is 196 kilometers; total length of tangent, 179.904 kilometers; maximum tangent, 11.468 kilometers; total length of curvature, 15.487 kilometers; maximum curvature, $4^{\circ} 22'$; average grade, 0.282 per cent; maximum grade, 0.8888 per cent; 155 masonry culverts, 0.5 to 2 meter spans; 184 bents, pile bridges, 4.8-meter spans; 177 steel bridges, 3 to 30 meter spans; 101 stations and buildings.

The gauge of main line and branches is 3 feet 6 inches. Forty-five-pound rails are used on main line, but 65-pound rails are required by the franchise previously quoted, and are being laid on the new lines. Six foot 8 by 5 inch Australian hard-wood ties, "jarrah," principally, are used throughout.

THE CABANATUAN EXTENSION.

The franchise was granted by Act 554, dated December 8, 1902, and was accepted February 5, 1903.

The termini of this extension are: Bigaa Junction (a distance of 27 kilometers from Manila), and Cabanatuan, province of Nueva Ecija (a distance of 91.5 kilometers).

The location plans and profiles were examined and approved in accordance with the provisions of said act, section 9, as follows: Kilometer 0 to kilometer 5, approved July 17, 1903; kilometer 5 to kilometer 20, July 31, 1903; kilometer 20 to kilometer 43, October 16, 1903; kilometer 43 to kilometer 58, April 5, 1904; kilometer 58 to kilometer 68, May 6, 1904; kilometer 68 to kilometer 78, May 24, 1904; kilometer 78 to kilometer 91.5, May 25, 1904.

Construction began July 11, sections of which were inspected and examined as follows: First section, kilometer 0 to kilometer 8 (Bigaa to Quingua), January 10, 1904; second section, kilometer 8 to kilometer 17.5 (Quingua to Baliuag), March 22, 1904.

Opening of completed portions was authorized as follows: First section, June 22, 1904; second section, March 28, 1904. Total length of tangent, 77.628 kilometers; maximum tangent, 8.714 kilometers; total length of curvature, 13.871 kilometers; maximum curvature, $5^{\circ} 49'$ for 420 meters, and 960 meters on $1^{\circ} 45'$; average grade, 0.379 and 0.600 per cent; maximum grade, 1.5 per cent for 660 meters, and 2.300 meters on 0.209 per cent; 22 masonry culverts, 0.5 to 1 meter spans; 266 bents, pile bridges, 4.8-meter spans; 41 steel bridges, 3 to 30 meter spans.

ANTIPOLO EXTENSION.

The franchise was granted March 27, 1903, and was accepted May 23, 1903.

The termini of this line are Manila and Antipolo, with a total length of about 40 kilometers.

The location plans and profiles were examined and approved, in accordance with the provisions of said act, section 9, as follows: Kilometer 0 to kilometer 5, approved October 22, 1903; kilometer 4½ to kilometer 9.1, November 9, 1903; kilometer 9.1 to kilometer 16.9 (Pasig station), March 30, 1904; kilometer 0 to kilometer 4.12 (Pasig to Mariquina), March 30, 1904; kilometer 0 (equals 2.723 of above) to kilometer 4.64 (Rosario to Taytay), March 30, 1904; kilometer 0 to kilometer 0.423 (Ramal to Rio Pasig), March 30, 1904.

The plans and profiles from Mariquina to Antipolo have not been submitted to date.

Construction began November 16, 1903, and is still in progress.

Total length of tangent, 20.685 kilometers; maximum tangent, 4.086 kilometers; total length of curvature, 5.434 kilometers; maximum curvature, $8^{\circ} 44'$ for 184 meters and 553 meters on $5^{\circ} 49'$; average grade, 0.340 and 1.391 per cent; maximum grade, 2 per cent for 300 meters, and 1.900 meters on 0.5 per cent; 13 masonry culverts, 0.5 to 1.5 meter spans; 50 bents, pile bridges, 4.8-meter spans; 32 steel bridges, 3 to 20 meter spans.

STOTSBERG BRANCH.

(Province of Pampanga.)

The franchise was granted by Act 555, dated December 8, 1902, and accepted February 5, 1903.

The termini are Dau (83 kilometers from Manila) and the military post at Stotsberg, a distance of about 8 kilometers.

Construction began January 19, 1903, and the line was opened to military traffic March 18, 1903, and to the public on May 15, 1903. Inspection trips were made March 7 and

August 19, 1903, and the final completion September 3, 1903. This is operated for the convenience and benefit of the military post at Camp Stotsenberg.

Total length of tangent, 5.906 kilometers; maximum tangent, 1.870 kilometers; total length of curvature, 1.154 kilometers; maximum curvature, $8^{\circ} 44'$ for 335 meters, and 369 meters on $7^{\circ} 57'$; average grade, 1.429 per cent; maximum grade, 1.806 per cent for 1,440 meters, and 1,900 meters on 1.526 per cent.

BAYAMBANG BRANCH.

This branch was authorized by Act 555, dated December 8, 1902, with termini at Bayambang station (about 164 kilometers from Manila) and the military post at Camp Greig, with length of about 3 kilometers. It has not yet been constructed.

The accounts and statistics of the company are rendered by calendar years, therefore no attempt has been made to change such reports to fiscal years.

The following is a statement of the traffic of the company lines for the year 1903 (Philippine currency): Total revenues, ₱1,587,854.92, being an increase over 1902 of ₱349,619.87; working expenses, ₱693,007.13, being an increase over 1902 of ₱168,162.96 (included in the working expenses, taxes were not included in the working expenses of 1902; for taxes, ₱49,769.51; for duties, ₱13,207.66); percentage of working expenses to gross receipts, 43.64; total passenger revenue, ₱1,048,049.93; revenue per passenger traffic per kilometer, ₱2.82; passenger revenue per kilometer of road, ₱5,866.22; total freight revenue, ₱387,185.39; revenue per freight train per kilometer, ₱2.08; freight earnings per kilometer of road, ₱2,165.98; average haul per passenger, 33.26 kilometers; average haul per ton of freight, 94.52 kilometers.

The equipment consists of 32 engines, 101 coaches (various), 547 freight cars and wagons (various).

The number of accidents during 1903 were 4 of Class A (serious), 4 of Class B (not serious), and 91 of Class C (minor).

The revenue from traffic for the first half of 1904, from January 1 to June 30, 1904, over the main line, has been as follows:

Passengers.....	₱474,817.37
Express freight.....	41,675.95
Ordinary freight.....	264,469.73
Military transport.....	52,672.70
Others.....	97,027.24
Stotsenberg Branch (total).....	10,397.65
Cabanatuan Extension, first two sections.....	20,070.93

Total.....	961,131.57
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The following diagrams attached to this report show graphically the business of the road, and a few photographs are added showing some of the construction features of the line:

Diagram No. 1.—Gross receipts, expenditures, and surplus, 1893-1903, inclusive.

Diagram No. 2.—Comparative train earnings from passenger, freight, and military transportation for 1901, 1902, 1903, and six months of 1904.

Diagram No. 3.—Comparative train earnings by months, 1897-1903.

Diagram No. 4.—Comparative diagram of classified passenger traffic, 1893-1903, inclusive.

Diagram No. 5.—Comparative diagram of classified freight tonnage, 1893-1903, inclusive.

Diagram No. 6.—Comparative diagram of classified train kilometerage, 1893-1903, inclusive.

Accompanying this report is a map showing the lines operated, under construction, and projected on the island of Luzon, and a map of the projected route now being surveyed across island of Panay.

The route from Manila to Batangas and Lucena (about 110 miles), with a branch to Santa Cruz from Calamba and an extension from Lucena to Antimonan on the Pacific coast, passes through large market centers and a very populous, wealthy, and productive country. This will pay from the beginning of operation, and presents no serious engineering difficulties in construction. It is a much-needed system and is one particularly inviting to capital.

The railway system for the great hemp and copra country of Ambos Camarines and Albay, from Pasacao to Nueva Caceres and Legaspi, with extensions to Tobaco and to Laganoy Gulf (about 150 miles of line), is next in importance and could be easily constructed. These two systems should be connected, thus giving an all-rail route to Manila from Albay (about 275 miles), enabling a trip to be made in ten hours with good service. It now requires three days to make the trip by a long water route and a much longer period by land transportation.

The route from Iloilo to Capiz might be mentioned as second to the above lines in ease of construction and as a profitable investment, aside from the great benefit to the island.

The route from Dagupan up the west coast of Luzon to Ilong and Claveria (about 200 miles) is through a rich and thickly populated agricultural district, with a large tributary traffic in sight. The large amount of bridging along this line will make it a more expensive one than those previously mentioned.

A continuation of the Cabanatuan Extension northward to Aparri (about 275 miles) passes through the vast timber and mineral section of the central north and down the Cagayan Valley, famous for its tobacco, rice, and corn. This route presents some expensive features in construction, but its importance to the island as a civilizing factor in developing this great territory and opening up direct communication with the tobacco valley warrants government support in its construction, if necessary.

Another route needed is from Antipolo east to the Pacific coast (about 35 miles), or an extension of the proposed line to Santa Cruz eastward to the coast.

To the south of Luzon coastal roads are practicable throughout the length of the larger islands. The present development and existing traffic make these routes desirable, particularly on the islands of Cebu, Negros, and Leyte.

One of the most important and perplexing engineering questions relative to the extension of insular railroads is that of a uniform gauge. A continuity of railroad systems and uniformity of gauge are essential and necessary for commercial interests. The experiences of all countries using two or more gauges, and the opinions of all railroad men, condemn the use of various gauges in the same system or connecting systems of roads.

The gauge to be adopted should be one suited to the present and to the future class and volume of the traffic, likely to be conveyed thereon, and one that will adequately meet the public demand regarding speed and accommodation with the greatest efficiency and economy. Each country has physical features, products, and traffic conditions peculiar to itself, and these have to be studied and comprehended by railroad men in ascertaining the gauge and standards that will give the best service and returns for the money invested.

In the United States, Canada, England, and in most countries of Europe, Russia and Spain excepted, the standard track gauge is 4 feet 8½ inches, which is fast becoming the standard of the commercial world. But in the oriental countries we find the narrow-gauge not only popular, but admirably suited to the existing conditions, and in many instances to the exclusion of all others.

Data concerning the gauges used in the more important oriental countries, and the opinions of representative railroad men, follows:

South Africa has about 6,000 miles of 3 feet 6 inches gauge and finds it sufficient for its needs, notwithstanding its large volume of mining traffic. The first railroad built there was 4 feet 8½ inches gauge, and was afterwards changed to the narrow-gauge. Egypt has about 1,400 miles of 4 feet 8½ inches gauge and 200 miles of narrow-gauge. Last year about 60 miles of the narrow-gauge was changed to the standard.

In India the English Government has a very complete and well-controlled system that has created and developed the enormous traffic of that country. Three gauges are in vogue. There are 14,346 miles of 5 feet 6 inches gauge; 11,246 miles of meter gauge (3 feet 3½ inches), and 968 miles of 2 feet 6 inches gauge. In addition, 566 miles of road was under construction the past year, and 1,107 miles of new lines sanctioned, about equally divided between the broad and the narrow-gauge. Mr. C. F. Street, a prominent engineer, after inspecting this extensive system, says:

"The 5 feet 6-inches gauge was the first introduced, but it was soon found that many roads could not be made to pay operating expenses, and it was decided to use the meter gauge in building some new roads and also to change the gauge of some of that built 5 feet 6 inches, in order to lessen the expense of operation. The South India road is a notable example of the latter, as it was originally 40 to 50 miles long and with a 5 feet 6 inches gauge, and did not pay expenses in the hands of a private company. The India Government agreed to guarantee interest on the bonds of this road if the gauge was changed to one meter and the line extended. This was done, and at the present time the road is doing a large business, and it is found that the meter is too narrow to carry it economically. This has occurred in one or two other places in India, and in some places they have the meter gauge where they should have the 5 feet 6 inches, and in other places they have the 5 feet 6 inches and should have the meter, and I think the general opinion is that it was a great mistake that the 4 feet 8½ inches gauge was not originally adopted."

The small but important island of Ceylon has 331 miles of 5 feet 6 inches gauge and 36 miles of meter gauge. Java is an island about 800 miles long and 200 miles wide, with a population of 23,000,000. It has some 1,500 miles of government (Dutch) railroads of 3 feet 6 inches gauge and only 30 miles of 4 feet 8½ inches gauge.

The Siberian Railway and the Chinese Eastern are of 5-foot gauge. The Korean Railway, the Imperial railways of northern China, and the new Canton-Hankow Line are 4 feet 8½ inches gauge. Of the 3,000 miles of railways in Japan, the gauge is universally 3 feet

6 inches, 500 miles being Government lines. All the railways of Central America and nearly all the lines of the countries of South America are narrow-gauge, the 3 feet 6 inches and meter gauges predominating. The Hawaiian Islands have the 3-foot gauge.

In the Australian countries, the "warfare of gauges" has been waged for years, and in 1902 the government adopted the 3 feet 6 inches for the new Transcontinental Railway. Following is the mileage and gauges of these countries in operation in 1903 and the opinions of the various representatives of these lines:

Country.	Mileage.	Gauge.
Queensland.....	2,711	<i>Ft. in.</i> 3 6
New South Wales.....	3,138	4 8½
Victoria.....	3,335	5 3
South Australia.....	1,229	3 6
Western Australia.....	507	5 3
New Zealand.....	1,720	3 6
Tasmania.....	2,201	3 6
	500	3 6

Mr. A. C. Pendleton, railways commissioner, Adelaide, South Australia, says:

"The 3 feet 6 inches gauge was adopted by this Government for the proposed Transcontinental Railway because a great portion of our northern railway system is already on the 3 feet 6 inches gauge, which also is the gauge in the State of Queensland, adjoining the northeastern part of South Australia.

"The railway system in the southern parts of South Australia is on the 5 feet 3 inches gauge, as is also the whole of the railway system in Victoria; while in New South Wales only there exists at present a 4 feet 8½ inches gauge."

Mr. Henry C. Stanley, chief engineer, Queensland railways, says:

"Our standard gauge and the only one in use on the government lines is 3 feet 6 inches. Economy of first cost in view of having to surmount a coastal range involving heavy works was what decided the authorities originally to fix our gauge at 3 feet 6 inches."

Mr. H. McLachlan, secretary railway commission, New South Wales, says:

"The gauge throughout New South Wales on the State railways is 4 feet 8½ inches, and the commissioners strongly support the adoption of that gauge throughout Australia. This gauge was adopted in the first instance when railways were established here forty-four years ago, and it was deemed by the authorities then in power to be the most suitable gauge for a modern railway."

Mr. F. Rennick, engineer in chief railways construction branch of the board of land and works, Victoria, says:

"Profiting by the experience of America, the best general gauge is, in my opinion, the world's standard, 4 feet 8½ inches, and where the mileage of 3 feet 6 inches yet constructed in any country is small compared with the mileage which may be required, the conversion of this to the standard gauge might be advisable, not otherwise. The 3 feet 6 inches is a good gauge, and experience shows that a large traffic and fair speed—up to 60 miles as a maximum—may be reached, as engines up to 45 or 60 tons (exclusive of tender) may be used. The saving in cost of construction compared with 4 feet 8½ inches is, however, trifling, American experience showing that the curves may be as sharp on the 4 feet 8½ inches as on the 3 feet 6 inches."

Mr. A. B. Moncrieff, engineer in chief South Australian railways, South Australia, says:

"The 5 feet 3 inches gauge was introduced into this province about forty-three years ago, because of the report of the Irish commission about that time, and further because there was an understanding that 5 feet 3 inches was to be the ruling gauge for Australia. After some years it was found that the 5 feet 3 inches gauge was unsuitable for developing the sparsely populated districts, and from an economical standpoint the narrow-gauge was adopted and has proved satisfactory for the work it was intended to do. The whole trade from Broken Hill to the seaboard is now conducted over a railway of this gauge on a single line, bringing at least twelve trains each way every day, the passing places being on an average 9 miles apart. In my opinion, the 3 feet 6 inches gauge train is admirably suited for developing country dealing with farm produce, sheep, cattle, and minerals."

Mr. T. Ronayne general manager, New Zealand government railways, New Zealand, says:

"When the general government undertook the construction of railways, a uniform gauge of 3 feet 6 inches was adopted, and the short lines which had been constructed to the wider gauge were altered. The reason for adopting the narrower gauge was a financial one. On portions of the line where grades and alignment are good our trains frequently reach a speed of 45 miles per hour, and our principal mixed trains have a time-table speed of from 17 to 20 miles per hour. With a well-maintained line of 3 feet 6 inches gauge, and with

curves of large radius, I see no reason why speeds of from 30 to 45 miles per hour should not be generally run. At the present time there is an agitation in this colony to adopt for the more sparsely settled districts, a still narrower gauge, viz, one of 2 feet or 2 feet 6 inches, but there are great objections to this proposal on account of the difficulties in working, incidental on break of gauge. With the grade of 3 feet 6 inches, and a minimum curve of 12 chains radius and a grade of 1 in 75, and a 65 or 70 pound steel rail, well-sleepered, an efficient line can be constructed capable of carrying a very large traffic; and, where necessary, at considerable speeds."

Mr. F. Back, general manager Tasmanian railways, Tasmania, says:

"The first line built in the colony was 5 feet 3 inches gauge, but it was found that the traffic was so limited that a cheaper class of line would be sufficient. The 3 feet 6 inches gauge was therefore finally adopted as being more economical and quite equal to the requirements of the colony. The limits of grades is 1 in 40 with curves of 5 chains radius. Our passenger trains are able to maintain a speed of 30 miles an hour, although our ordinary trains are timed to a much lower speed."

At a recent biennial conference of the British Institute of Engineers, all the speakers were unanimous in advocating the standard gauge for all light railway construction, and contended that there was no material advantage or important saving in adopting a narrower gauge. American engineers confidently agree to construct as economically, lines with the standard gauge as are being constructed with the narrower gauge, thereby giving employment to American railroad men and to standard methods, materials and equipment.

Respectfully submitted.

CHAS. H. KENDALL,
Acting Railroad Engineer.

MANILA AND DAGUPAN RAILWAY.

PART FIRST—BASE TARIFFS.

CHAPTER I.—*General conditions for the application of tariffs.*

ARTICLE 1. In no case and under no pretext whatever shall higher prices be charged than those specified in the maximum tariffs.

ART. 2. The company may at any time establish lower tariffs than the maximum rates, provided the conditions of this order are complied with.

ART. 3. All discrimination in favor of any person, company, locality, industry, as also the imposition of any unjust prejudice or inconvenience to any person, company, locality, industry, or merchandise, are hereby prohibited.

ART. 4. In exceptional and extraordinary cases the consulting engineer, with the approval of the secretary of commerce and police, shall have power to authorize in writing, specially in each case, temporary exceptions to the general conditions of the application of rates.

ART. 5. The general as well as the special conditions established in particular cases which imply a reduction of the tariffs must be of such a nature that they may be generally accessible to all under equal conditions.

ART. 6. The company shall not in any case charge rates which have not been announced to the public ten days previous to their adoption.

ART. 7. The copies in Spanish and English of rates approved by governmental authority for the transportation of passengers, baggage, packages, freight, and live stock shall be posted by the company in prominent places in each of its stations ten days before such rates shall go into effect and they shall also be published in Spanish and English newspapers, respectively, of general circulation for three consecutive days ten days before the same shall go into effect.

ART. 8. The company may refuse to transport any package or parcel containing goods of a dangerous nature or the transportation of which shall be prohibited by the government.

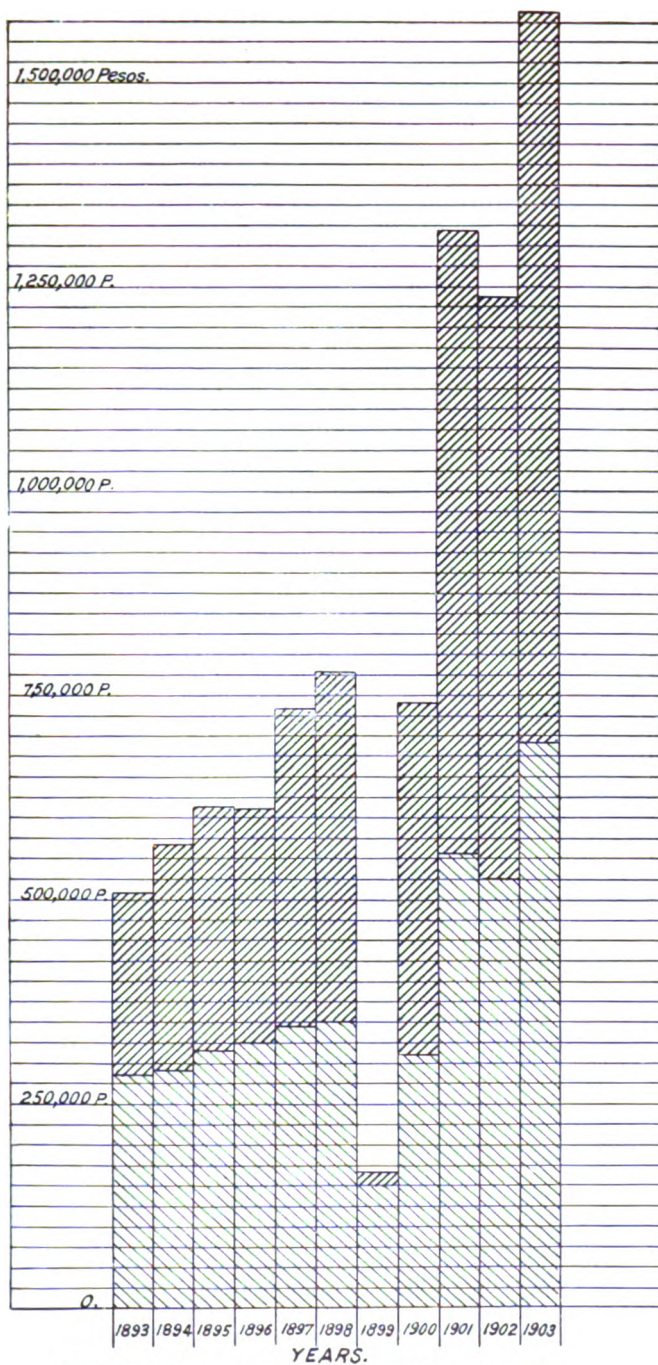
ART. 9. Reduced rates for the transportation of merchandise shall not be raised for sixty days after having been put in force, except when authorized by proper authority.

ART. 10. The company shall be entitled to issue commutation tickets, return tickets, and excursion tickets between stations at reduced prices.

ART. 11. The company shall not grant free tickets or reduced rates nor transport passengers at prices or conditions different from those contained herein.

ART. 12. The company may grant free transportation or reduced rates to objects and merchandise destined to or proceeding from fairs, expositions, exhibitions, and in other similar cases.

ART. 13. The company may grant free transportation or reduced rates to all persons without means, shelter, or homes; to grant free transportation or reduced rates also for charitable objects or in cases of floods or other public calamities.



Expenditure. Surplus.

DIAGRAM SHOWING GROSS RECEIPTS, EXPENDITURES, AND SURPLUS,
MANILA AND DAGUPAN RAILWAY, MANILA.

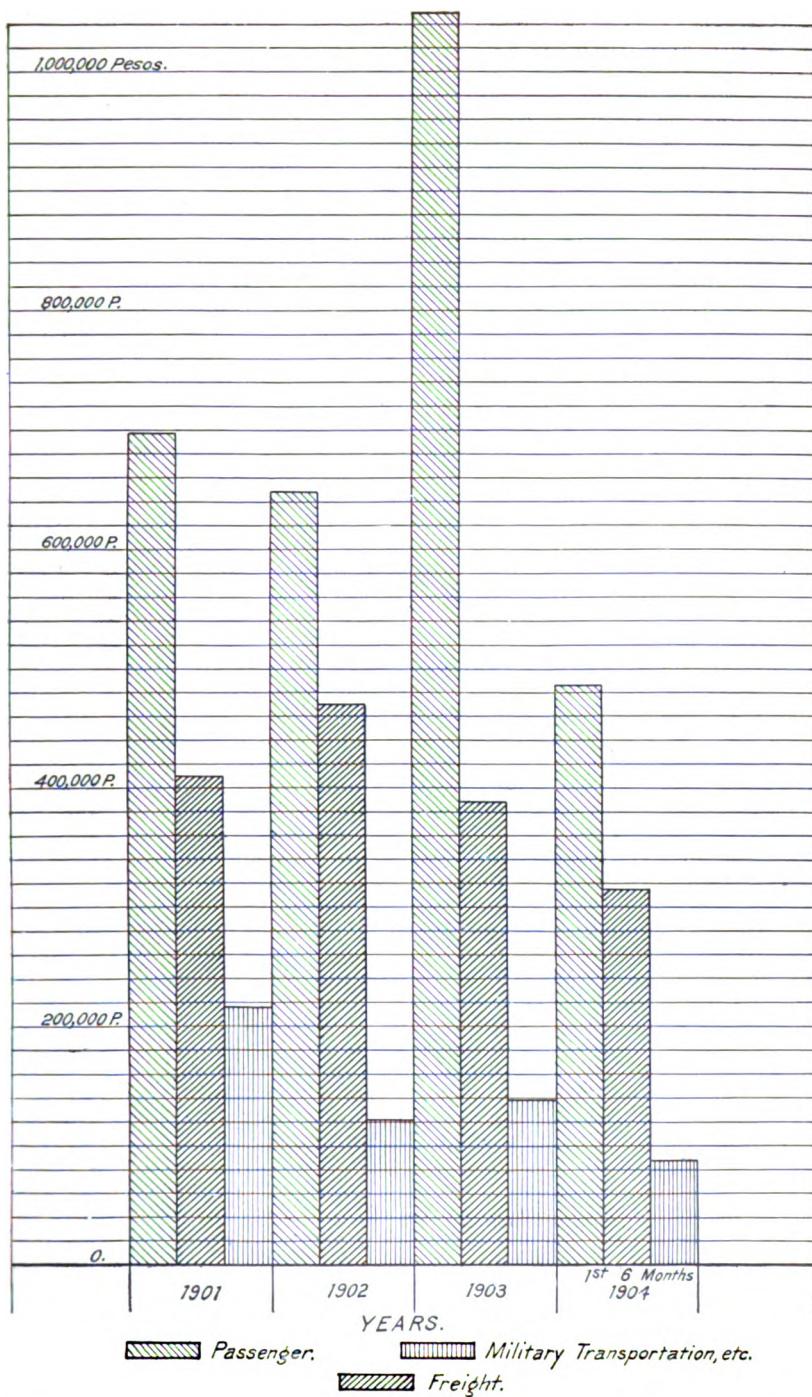


DIAGRAM SHOWING COMPARATIVE EARNINGS, MANILA AND DAGUPAN RAILWAY, MANILA.

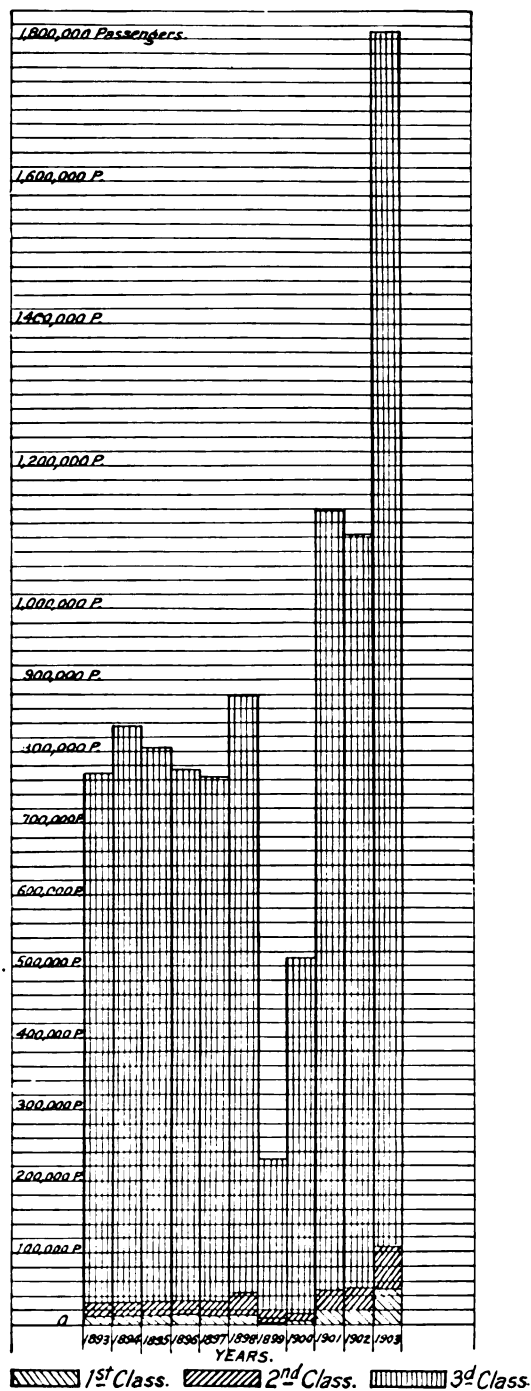


DIAGRAM SHOWING NUMBER OF PASSENGERS CARRIED, MANILA AND DAGUPAN RAILWAY, MANILA.

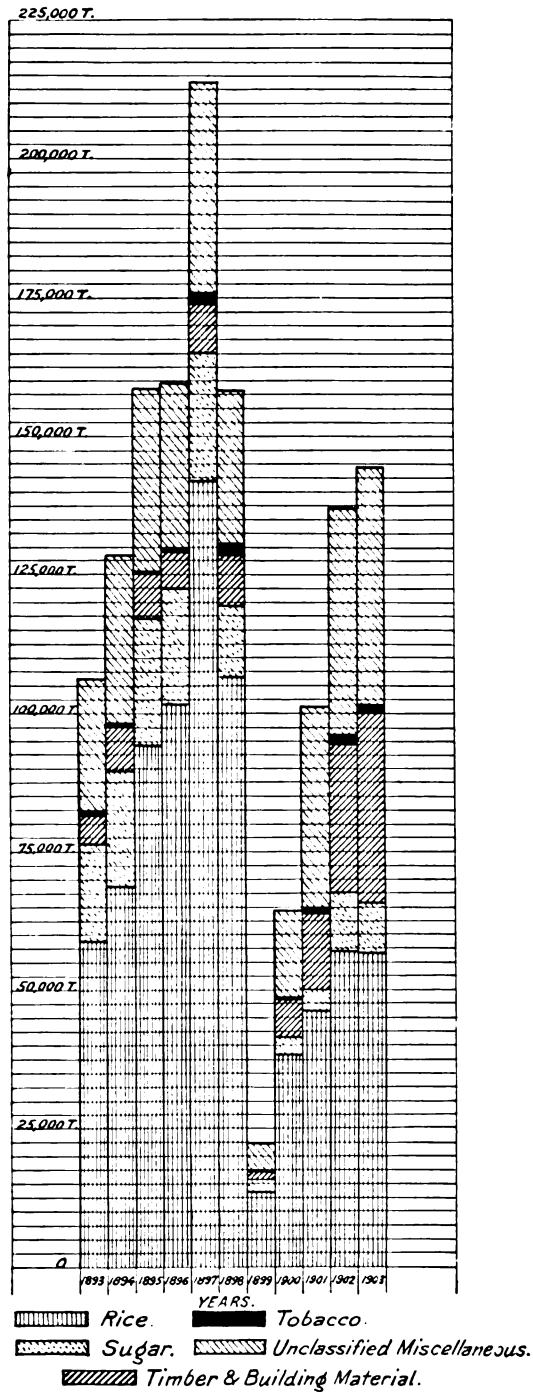


DIAGRAM SHOWING NUMBER OF TONS OF FREIGHT
HAULED, MANILA AND DAGUPAN RAILWAY,
MANILA.

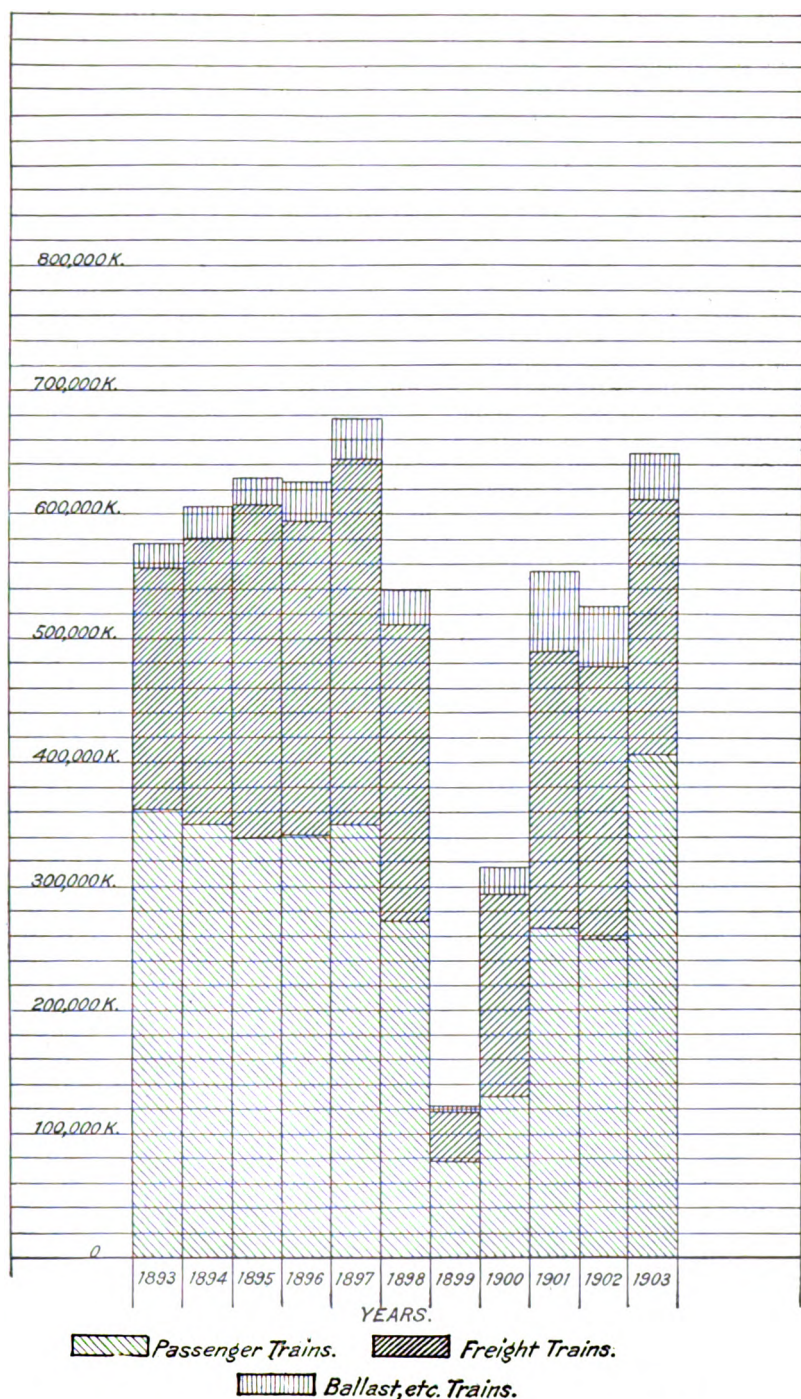
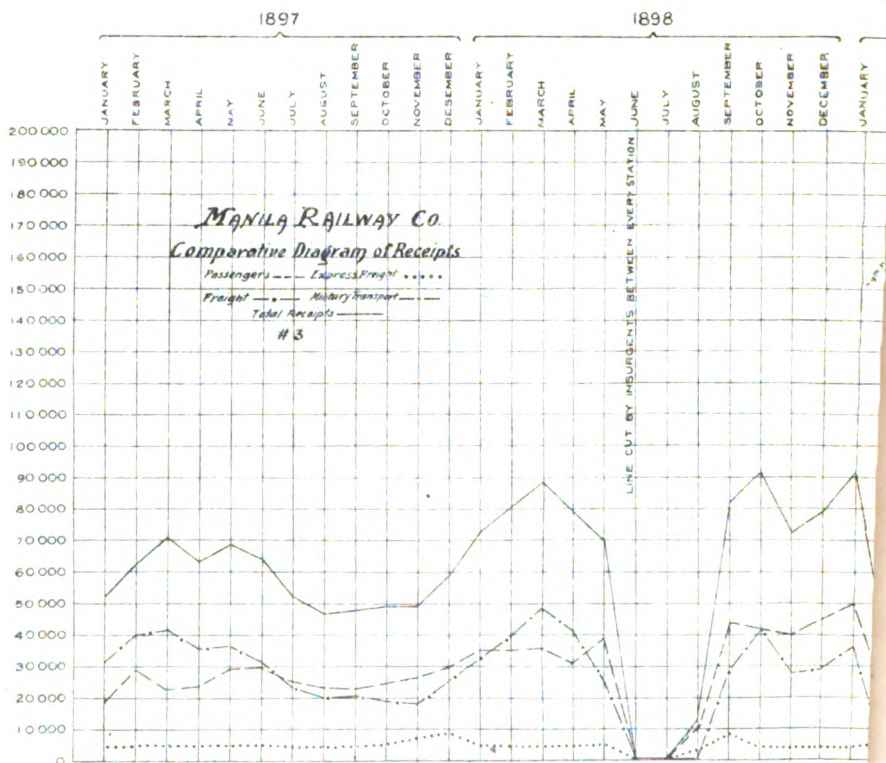


DIAGRAM SHOWING KILOMETERS RUN, MANILA AND DAGUPAN RAILWAY, MANILA.



ART. 14. The company may transport free of charge or at reduced rates their own employees and officers or the employees and officers of other roads.

ART. 15. Free tickets shall be issued only by the president or by the general manager. The general superintendents of different departments may pass their immediate employees when in discharge of their duties.

ART. 16. All goods, live stock, and other objects not specified in the tariff shall be considered, for the collection of freight, as belonging to the class which they most resemble.

ART. 17. The rates given in the tariff are not applicable to any object weighing more than 1,500 kilograms or which exceeds the dimensions of the rolling stock.

ART. 18. Fragile or brittle articles, unprotected, improperly packed, or perishable, will not be received for conveyance unless accompanied by an "owner's risk" note, which shall relieve the company from all responsibility except damage arising from its negligence.

ART. 19. The price for the transportation of any merchandise shall not be less than 35 cents if by passenger train and 25 cents if by a freight.

ART. 20. In the event of goods and effects transported by the company remaining in the stations more than the time necessary for their removal as prescribed herein the company is authorized to charge for storing the same as per tariff.

ART. 21. The company is authorized to make application before the justice of the peace of the district wherein the station is situated for the sale at public auction of all articles of freight or baggage delivered to or transported by the company which may have remained at such station for two months or over and not been called for by the owner or consignee. In the beforementioned cases, or when the owner or consignee can not be found or is unknown, or shall refuse to receive the goods transported or pay the cost of transport, application may be made by the company to the justice of the peace for an order to sell at public auction within two days those goods which are of a perishable nature and within ten days those not subject to deterioration. The proceeds of sale shall go first to defray the cost and expenses of said sale, and then to the account of freight and charges of the railroad company on said goods, and the balance, if there be any, shall be deposited with said judge at the disposition of the person who may have right to the same.

ART. 22. The company may refuse, unless freight be prepaid, to transport empties, perishable goods, and goods whose small value would be insufficient to cover freight on same.

ART. 23. In the case of refusal, neglect, or delay in payment of the cost and expenses of transportation and conduction of freight over the whole length or any part of the line, the company shall have the right to detain the same until such time as amount due shall be paid. If the payment of rates or transportation on goods should not be effected within fifteen days, the company may apply for their sale at public auction to the justice of the peace for the district wherein the station is situated, who may order the total or partial sale of said goods in sufficient amount to cover expenses, costs, and transportation charges.

ART. 24. For the delivery of goods, live stock, and any other freight at destination the consignee should present the receipt given by the company on shipment; failing this the goods, live stock, or other freight will only be delivered by the company on proof of ownership or identity.

ART. 25. Perishable goods, ice, fresh fish, oysters and other shell fish, butter, milk, eggs, bread, poultry, fresh meat, game, and all other eatables of a perishable nature will only be transported prepaid, and if not received by the consignee within a reasonable time, shall be sold by the company or destroyed, proceeds of sale to be applied as per article 21.

ART. 26. The company will not be responsible for loss of or damage to any articles unless the same be signed for as received by duly authorized clerks or agents, and every consignment of goods when delivered for transmission by railway must be accompanied by a consignment note, signed by the sender or some authorized person on his behalf, as a guaranty of the correctness of the information furnished therein. The consignee shall be liable for any false description. The goods must be well and securely packed and plainly and legibly marked or addressed with the name and address of the consignee and the name of the railway station to which they are to be dispatched.

ART. 27. Shortages or damages to goods, live stock, or other freight must be reported to the station agent before the goods, live stock, or other freight have been accepted by the consignee. The consignee accepting same without acknowledgment of complaint in writing by station agent relieves the company from all responsibility for shortages or damages.

ART. 28. Consignments of watches, jewelry, precious stones, gold or silver coin or bullion, bills, bank notes, securities, stamps, and title deeds shall not be accepted for conveyance by freight trains, but must be forwarded by passenger trains, and will be charged for at tariff for money and valuables.

ART. 29. The company or its agents may refuse to receive for shipment any goods undescribed or insufficiently described or addressed, and the right is reserved by the company and its agents to inspect all such goods before accepting the same for shipment; and for this purpose, if considered necessary, any package must be opened by the sender at his own expense.

ART. 30. The company shall be exempt from all responsibility for contents of packages under seal or in sealed cars if delivered in the same condition as received with seals intact.

ART. 31. Consignees can not refuse to receive perishable freight and live stock on non-working days.

ART. 32. The company will not be responsible for any loss or damage occurring to goods consisting of a variety of articles in the same package liable by breakage to damage each other or other articles, or damage arising from leakage due to bad vessels or bad cooerage or to fermentation.

ART. 33. The company is not bound to forward nonperishable goods from any station by the first or succeeding train; or to send a car from one station to another with less than 1 ton.

ART. 34. The company does not guarantee arrival or delivery of any goods or live stock (perishable or otherwise) at any particular time by any particular train or for any particular market.

ART. 35. Whenever "freight cars" are mentioned they shall, unless otherwise specified, be taken to mean four-wheel cars of 7-ton capacity, and whenever rates are quoted for goods in carload lots the minimum load shall, unless otherwise specified, be reckoned as for a four-wheel car of 7 tons capacity.

Bogie cars, series VB and JB, shall be taken as equal to two 4-wheel cars and three 4-wheel cars, respectively.

ART. 36. It shall be obligatory for the company, by means of its agents or employees, to affix checks or tags to every parcel of baggage delivered to such agents or employees for transportation, and a duplicate of such check or tag shall be given to the passenger delivering same. If the company does not comply with this obligation no fare or toll shall be received from such passenger, and if such passenger has already paid same it shall be returned on demand.

ART. 37. The company shall have a lien on all goods received and shipped for the payment of freight charges due on the same, and in the case of the failure by the owner or consignee to pay, the goods shall be sold in accordance with article 21.

ART. 38. A person who is injured by reason of being on the platform of a car, or on any baggage, wood, or freight car, in violation of the printed regulations in force at the time, and without the consent of the company or its employees, shall not claim damages for such injuries.

ART. 39. Only duly authorized employees shall be considered as legally representing the company in treating with the public and in effecting receipt and delivery of freight of all kinds.

Persons exclusively employed for manual or mechanical labor shall not be considered as legally representing the company with the public in the receipt or delivery of freight of any kind.

ART. 40. Any person or corporation who makes a contract for transportation, passenger or freight, with the company, shall be understood to accept and be bound by the rules and conditions established herein, and in no case will alleged ignorance or inobservance of the said rules and conditions be admitted.

ART. 41. All damage, loss, or deterioration during transportation shall be on account and at risk of owner in fortuitous cases, or when caused by "force majeure" or when due to nature or faultiness inherent in the freight or merchandise carried.

PART SECOND—RATES.

UNITS.

ART. 42. All rates shall be made in Philippine currency, and payments shall be made in such currency, or in that of the United States at the rate of two for one.

Fractions of a cent, one-half or greater than one-half, shall be charged as 1 cent, but if less than one-half shall not be charged.

The unit of distance shall be the kilometer, and any fraction thereof shall be considered as 1 kilometer.

The unit of volume shall be the cubic meter.

The unit of weight shall be the kilogram, and the ton shall consist of 1,000 kilograms or 2 cubic meters for merchandise marked T. M. (ton measurement) in the approved classification.

STANDARD TIME.

ART. 43. Manila observatory time shall be the standard by which all the clocks on the line shall be regulated.

CHAPTER I.—*Passengers.*

ART. 44. Rates for adult passengers shall be, per kilometer:

	First class.	Second class.	Third class.
	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>
From 1 to 50 kilometers, inclusive.....	5.60	3.80	2.00
From 51 to 120 kilometers, inclusive.....	4.60	3.40	1.80
From 121 kilometers upward.....	4.20	2.80	1.60

ART. 45. Children under 3 years of age who do not occupy a seat are not required to pay. Children from 3 to 9 shall pay one-half the rate paid by adults, and two children over 3 and under 9 shall be entitled to one seat.

ART. 46. Passengers shall obtain their tickets before entering the train.

ART. 47. On each ticket shall be printed the names of starting station and destination, class of coach to which it corresponds, number, price, date, and number of train, said ticket being only valid for the train, date, and destination stated.

ART. 48. The sale of tickets shall commence at least half an hour before the train starts, and the ticket offices shall be closed two minutes before train is dispatched.

ART. 49. Passengers shall show their tickets when requested to do so by the proper employees of the company and should keep same until arrival at destination, there to be handed to ticket collector.

ART. 50. Passengers found traveling without tickets shall be required to pay the regular fare, with an overcharge of 20 cents.

ART. 51. Passengers found traveling in a coach of a class higher than that specified on ticket shall be required to pay the difference in fare between the two classes with an overcharge of 20 cents, unless advice shall have been previously given to the station agent or ticket revisor that they desire to travel in another and superior class; in which case, provided there is accommodation on the train, only the difference in fare shall be collected by the ticket revisor, who will issue a supplementary ticket to be given up at end of journey.

ART. 52. Any passenger traveling beyond destination marked on ticket will only pay the excess corresponding to the increased distance traveled when the ticket revisor shall have been duly informed of such intention before train leaves the station to which ticket is valid. If such required information is not given, the excess fare shall be collected with an overcharge of 20 cents.

ART. 53. Passengers are not allowed to take dogs or any other pet animals or birds in the coaches.

ART. 54. Intoxicated persons, or persons carrying loaded firearms or packages which, by reason of their contents, shape, size, or odor would constitute a danger or annoyance to other passengers, shall not be permitted to enter the coaches.

ART. 55. Passengers have the right to demand that the employees of the company shall eject from the coaches all persons who, by bad conduct, bad language, or actions, offend them, or who cause disturbances or discomfort.

ART. 56. Every passenger who refuses to pay his fare may, by the conductor of the train and employees of the company, be put out of the train with his baggage at the next station, the conductor first stopping the train and using no unnecessary force.

ART. 57. It is strictly prohibited:

First. To enter or leave the coaches by any other way than through the doors.

Second. To change from one coach to another or lean out of same whilst the train is in motion.

Third. To enter or leave the coaches, not being in a station.

Fourth. To get on or off the coaches when the train is in motion.

ART. 58. Passengers on purchasing tickets must ascertain that tickets given are as requested and that change given is correct before leaving ticket window. No claim made by passengers after leaving the window for sale of tickets will be allowed.

ART. 59. Should a passenger from any cause desist from the trip before the departure of the train, the company shall reimburse the amount of ticket to its owner at the same window or office at which it was sold. After the departure of the train the company will reimburse the holder of the ticket only at the office of the general manager upon presentation, with the least possible delay of sufficient proof of the validity of the claim.

ART. 60. Passengers desiring to occupy a separate compartment should request same from station master one hour before the train leaves, and pay for all the seats of said compartment at tariff prices. This circumstance does not permit a greater number of passengers to travel in said compartment than the regulation number of seats.

ART. 61. Spitting in any car of the company is strictly prohibited.

CHAPTER II.—*Baggage.*

ART. 62. Rates per 100 kilograms and per kilometer: From 1 to 50 kilometers, inclusive, 4 cents; 51 to 120 kilometers, inclusive, 1.60 cents; 121 kilometers upward, 1 cent.

ART. 63. No distance will be considered of less than 20 kilometers. No fraction will be considered of less than 10 kilograms. No charge less than 35 cents shall be made.

ART. 64. Passengers holding full tickets shall be entitled to the free transportation of 50 kilograms or less of personal baggage for first-class passengers and 30 kilograms or less for other passengers; children holding half tickets shall be entitled to one-half the weights granted to adults.

ART. 65. The rates for baggage shall be applied to the excess weight over the herein mentioned 50 and 30 kilograms.

ART. 66. The receipt of baggage will commence not later than one-half hour before the train's departure.

ART. 67. All baggage must, to admit of it being checked, be presented at stations at least five minutes before the departure of the train by which it is required to forward same.

ART. 68. By personal baggage is to be understood ordinary wearing apparel, bicycles, and such articles as may be required by persons practicing any profession or trade, it being further understood that such articles shall only be accepted by the company when contained in such receptacles as will safely contain the same for purposes of transportation.

ART. 69. The company shall not be liable beyond the extent of \$200 Philippine currency for each 50 kilograms of weight of such baggage unless the owner thereof shall, upon offering the same for transportation, declare the contents thereof and pay therefor by way of insurance one-eighth of 1 per cent extra on such declared value for the additional amount of responsibility to be assumed by the company in case of loss.

ART. 70. Passengers may carry with them in the coaches handbags, packages, and parcels, which, by their size, weight, appearance, or other conditions, offer no inconvenience to other passengers or reduce the seating capacity of the car.

ART. 71. Baggage shall be carried on the same train as the owners thereof, and shall be delivered to such owners upon arrival of the train or at the latest one-half hour afterwards.

ART. 72. Baggage not received within twenty-four hours after arrival, and packages and articles left by passengers at parcels office, will be stored by the company, to be delivered to the owners when called for and a charge of 10 cents per day for each piece or package shall be made, the day on which the package or article is left counting as one day. All baggage not claimed or delivered within three months shall be sold in the same manner as merchandise as provided by article 21.

ART. 73. Baggage will only be checked on presentation of a ticket and on the payment of any excess, the passenger receiving a form on which shall be stated names of shipping and destination stations, the number of packages, the total weight, and the amount collected for excess, if there should be any. This form will enable the passenger by presenting the same at the destination to obtain possession of his baggage. The form must be taken up by the company at the time of delivery.

ART. 74. Passengers carrying in their baggage jewels, precious stones, bank notes, bullion, scrip, bonds of public debt, or other objects of value shall declare same at the time of checking, stating the value which they represent.

ART. 75. The receipt for baggage open or in a bad condition shall be noted "bad order", and the baggage shall be transported without liability by the company for losses resulting because of such bad condition.

ART. 76. The passenger who can not present his baggage check will only be allowed to take possession of his effects after ample proof of ownership. Such proof will consist of possession of keys and the precise indication of marks and appearance of packages and some of the contents contained in each one of same. With such proof the baggage will be delivered under receipt. Expenses incurred through these formalities will be for account of passenger.

ART. 77. If on arrival of the train some package, duly checked, should be missing, the passenger should demand the same from the station master, who, after reweighing those which have arrived and obtaining a description of those missing, will give the passenger in exchange for the receipt a paper specifying the description, marks, and approximate weight of same, this being the weight short of total given in way bill and receipt.

ART. 78. All claims for shortage or damage shall be made on delivery of baggage; any claims made afterwards will not be admitted.

CHAPTER III.—*Express.*

ART. 79. Articles of all kinds which are not personal baggage of passengers shipped on passenger trains shall be considered as express matter.

ART. 80. Rates per ton per kilometer: From 1 to 50 kilometers, inclusive, 34 cents; 51 to 120 kilometers, inclusive, 16 cents; 121 kilometers upward, 10 cents.

ART. 81. No distance will be considered of less than 20 kilometers. No fraction of weight will be considered of less than 10 kilograms. No charge of less than 35 cents shall be made.

ART. 82. A rebate of 25 per cent on the regular express rates shall be allowed on the following and similar articles which by nature require immediate transportation, but the same shall only be received as express prepaid matter: Beer, bread, butter, cheese, dogs, eggs, ice, fresh fish, fruits, game, milk, mineral waters, oysters, poultry, soda water, vegetables, and the like in lots of 25 kilograms or over. Poultry and dogs shall be shipped in coops or crates.

ART. 83. The company may refuse to accept poultry, dogs, and other birds and animals, unless contained in coops or crates.

ART. 84. The liability of the company in express shipments shall be limited to \$50 per hundred kilograms, unless the sender shall previously declare the value of such shipment and shall pay a risk rate of one-eighth of 1 per cent upon said declared increased valuation in addition to the express rates.

ART. 85. Express matter shall be booked at least one-half hour before departure of train by which it is to be shipped. If booked after this time, it will be forwarded by the next ordinary passenger train, and will be delivered to consignees one hour after arrival at destination.

ART. 86. To effect this class of transport the consignor shall present a delivery note or declaration in duplicate stating name and domicile of the company, names and residences of consignor and consignee, station of destination, weight, marks, and numbers.

ART. 87. Shipments will not be received for any place where there is no station.

ART. 88. When a consignor ships various packages directed to one consignee the express charges shall be calculated on total weight of same.

ART. 89. When the company receives sealed packets, it shall be exempt from all responsibility on delivering same in good order and with seals intact to consignee.

ART. 90. Shipments not removed from station of destination within twenty-four hours after notice of arrival has been given shall pay storage charges on same as per tariff.

ART. 91. The company will not receive for shipment any kind of perishable goods unless the express charges are prepaid.

ART. 92. The company will not be responsible in any way for natural deterioration of perishable goods in their transport.

ART. 93. The company will not be responsible for any loss of market.

ART. 94. The company will not be liable for any loss of or damage to or delay of express matter resulting from it not being properly protected by packing.

ART. 95. The company will not be liable for any indirect or consequential damages in respect of express matter lost, injured, or delayed.

ART. 96. Money shall pay at the following rates:

One-eighth per cent of the amount declared, and one-eighth of 1 cent per kilometer, for every \$100.

ART. 97. Minor silver and copper coins, and other valuables will pay at the above rate, in addition to the express rates.

ART. 98. Valuables of all kinds shall be placed in a strong covering tied and sealed, and provided that the company delivers the packages in the same condition they were received and with the seals unbroken, no responsibility shall attach to the company.

ART. 99. Articles 73, 77, and 78 are applicable to express transport.

CHAPTER IV.—*Funeral transport.*

ART. 100. Rate for funeral transport shall be, per car per kilometer, 40 cents.

ART. 101. No distance will be considered of less than 20 kilometers.

ART. 102. The company is not obliged to transport in each wagon more than one coffin.

ART. 103. Transport of funerals will only be effected by passenger train.

ART. 104. Corpses will not be received for conveyance unless a medical certificate be produced setting forth that death was not caused by any infectious or contagious disease.

ART. 105. Advice of a funeral transport should be given four hours beforehand in the principal and twenty-four hours in the intermediate stations, and the shipment should be booked two hours before the train is timed to leave.

ART. 106. Funerals must be taken away from arrival stations within two hours after arrival; this not being done the company will effect removal of same on account and at expense of the consignor.

ART. 107. Each coffin shall be placed in a closed car in which no other objects or freight may be loaded. When in consequence of the removal of family vaults more than one coffin is booked by the same person to same destination, the following rules will be observed:

First. Two or three coffins may be placed in one car, the freight being 30 cents per coffin per kilometer.

Second. In the event of there being more than three coffins, the freight will be 20 cents per coffin per kilometer, when same can be placed separately on the floor of car, one coffin not being allowed to rest on another.

ART. 108. Special trains for funeral transports will be charged for at special train rates as hereinafter provided, one funeral car being allowed in addition to train formation specified, any additional car will be charged extra at 40 cents per car per kilometer.

CHAPTER V.—*Special trains.*

ART. 109. Rate shall be, per train per kilometer, \$2.50.

ART. 110. Minimum charge shall be \$100.

ART. 111. Formation of a special train shall be one first-class coach, four-wheel type; one baggage van, four-wheel type; one brake van, four-wheel type.

ART. 112. If it should be necessary to increase the number of cars, all seats contained therein, if passenger coaches, shall be paid for as per tariff, or if freight cars, they shall be paid for as full carloads, as per tariff for goods by passenger trains.

ART. 113. Requests for special train shall be made, twelve hours in advance, to the station master of any station on the line.

ART. 114. The cost of a special train shall be graduated, as per this tariff, by the number of kilometers run on outward journey, the return of train being on account of the company. Payment for a special train gives the privilege of occupying the returning train within the following limits: For a run of 50 kilometers or under on outward journey six hours after arrival of train at destination; for a run of 51 kilometers upward, twelve hours after arrival. In each case the passenger shall declare, before starting, whether he intends to utilize the return of train.

ART. 115. The company will not be responsible for the length of time occupied in the journey of a special train, which shall be run as traffic arrangements will admit.

ART. 116. When a special train is applied for and application granted, payment for same shall be made at once.

CHAPTER VI.—*Merchandise.*

ART. 117.—Rates per ton per kilometer.

	First class.	Second class.	Third class.	Fourth class.
	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>
From 1 to 20 kilometers, inclusive.....	12.0	9.0	7.0	5.0
From 21 to 70 kilometers, inclusive.....	4.6	3.6	2.6	2.0
From 71 to 110 kilometers, inclusive.....	4.2	3.2	2.0	1.6
From 111 upward.....	3.8	2.8	1.6	1.2

ART. 118. Freight will be charged on all goods according to gross weight, except when marked in approved classification "ton measurement."

In such cases the weight will be calculated on the basis of one-half of a ton per cubic meter, and the cubic measurement will be that of a box or covering of usual form in which the article may be contained.

ART. 119. The base of all tariffs will be per ton of 1,000 kilograms, except for goods marked "ton measurement" in classification.

ART. 120. Lots shipped by full carload will be carried at 10 per cent reduction from the class rates.

ART. 121. All distances under 20 kilometers will be considered as 20 kilometers.

Any fraction of weight of less than 10 kilograms shall be considered as 10 kilograms.

Shipments less than 50 kilograms shall be considered as 50 kilograms.

The minimum freight charge shall be 25 cents.

ART. 122. Any package containing articles of more than one class will be charged for at the rate fixed for the highest classed article contained therein.

ART. 123. Articles not enumerated shall be given the class provided for similar articles.

ART. 124. The classification of merchandise shall be that contained in the official classification.

ART. 125. The shipment and delivery of merchandise at the stations shall be at least between the hours of 7 a. m. and 4 p. m.

ART. 126. Merchandise shall be shipped from the forwarding station in its order of receipt and within forty-eight hours.

ART. 127. Time allowed for delivery shall count from date and hour of leaving forwarding station.

ART. 128. Merchandise shall be placed at the disposal of the consignee at the receiving station on the day following its shipment from the forwarding station when the distance between such two stations is 100 kilometers or less. For every additional 100 kilometers or fraction of a hundred, one day more will be allowed for delivery.

ART. 129. At the time of placing the merchandise transported at the disposal of the consignee the company should notify him of arrival either by mail or by posting the same at the delivering stations, stating the particulars and details concerning each lot, said notice to remain for the inspection of the public for a period of at least three days.

ART. 130. Merchandise should be removed by the consignee on the day of arrival or the following day, and should such removal not be made within said term charge for storage shall be made according to tariff for each day over and above the time specified.

ART. 131. The company shall reweigh the merchandise whenever the shipper shall require it.

ART. 132. In case of loss or damage the company shall not be required to pay to the owners of the merchandise greater amounts per ton than the following: First class, \$200; second class, \$100; third class, \$50; fourth class, \$25. Should the value of the merchandise, however, be greater than the amount fixed by the maximum tariff as above, the shipper upon forwarding said merchandise may declare its value and pay a risk rate of one-eighth of 1 per cent upon increased valuation in addition to the freight charges, in which case the liability of the company shall be in proportion to the value so declared.

ART. 133. The company is not obliged to transport packages weighing more than 1,500 kilograms or which exceed the dimensions of the rolling stock.

If consenting to effect these transports, the rate shall be double the ordinary tariff as per classification with a minimum charge per car necessary for safe transport as for full capacity of each car at fourth-class rates.

ART. 134. When the company transports inflammable, explosive, materials, or goods of a dangerous nature, the rate shall be double second class and under following conditions:

(a) Gunpowder, fireworks, and other explosives will be carried entirely at the owner's risk. The nature of the goods must be made known by a conspicuously printed notice of contents on each package and upon the car carrying same.

The days appointed for receiving gunpowder and other dangerous and explosive compounds will be ascertained of station master before consignment is taken to the station.

(b) The company will not carry gunpowder and dangerous and explosive compounds by passenger trains.

All gunpowder and other explosives must be packed in barrels or well-made boxes, closely joined and hooped, or in copper, zinc, or tinned cases or canisters, and so secured that no part of the explosive can escape.

(c) Powder or other explosives will not be left at any place where there is not an officer in charge or consignee to receive same, and the consignment must be removed from the railway premises within six working hours after arrival.

ART. 135. Goods liable to mix with others of the same nature, such as sand, asphalt, sulphur, black lead, coal, coke, horns, gravel, chalk, bones, bricks, firewood, timber, minerals, potatoes, boards, salt, planks, tiles, earth, clinkers, etc., and goods liable to more or less damage others, such as manures of all kinds, lime, slaughter-house refuse, grease, whitening, etc., shall not be received for transport in bulk, except when shipment be made by the full carload.

ART. 136. The loading and discharge of goods transported in bulk shall always be for the account of the consignors and consignees, the cars should be loaded within twenty-four hours after having been placed at the disposition of consignor, and unloaded within twelve hours after having been at disposition of consignee.

ART. 137. When forwarding freight to stations a declaration shall be made, dated, and signed by consignor indicating, first, names, surnames, and addresses of consignor and consignee; second, marks, numbers, quantity, and nature of package; third, their weight, if known; fourth, if freight is to be paid on shipment or on arrival at destination.

CHAPTER VII.—*Live stock.*

ART. 138. Horned cattle, horses, mules, donkeys—rates per kilometer shall be:

Class A.	One head.	Two head.	Three head.	Four head or more, per head.
	Cents.	Cents.	Cents.	Cents.
From 1 to 20 kilometers, inclusive.....	12	20	28	8.0
From 21 to 70 kilometers, inclusive.....	6	9	12	3.8
From 71 to 140 kilometers, inclusive.....	5	7	9	2.8
From 141 kilometers upward.....	4	5	6	2.0

ART. 139. Pigs, sheep, goats, calves—rates per head per kilometer shall be:

Class B.	1 to 5 head.	6 to 10 head minimum rate as for 5.	11 to 20 head minimum rate as for 10.	More than 20 minimum rate as for 20.
	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>	<i>Cents.</i>
From 1 to 20 kilometers, inclusive	3.0	2.6	2.2	2.0
From 21 to 70 kilometers, inclusive	1.6	1.6	1.4	1.4
From 71 to 140 kilometers, inclusive	1.0	1.0	.8	.8
From 141 kilometers upward	.6	.6	.6	.4

ART. 140. Minimum charge shall be as for 20 kilometers.

ART. 141. These tariffs shall be applied to shipments of animals by the head, and the halters, bridles, ropes, etc., shall be furnished by the shippers. The loading and unloading of animals and care of same shall be done by the owners, who may for these purposes send a person on the train, paying third-class fare. The company shall attend to the loading and unloading when the owner is not present or when he shall confide same to the company, but in either case the company shall not have any liability on this account.

ART. 142. The animals shipped shall be placed at the disposal of the consignees within two hours following the arrival of the train, and they must be removed on the day of their arrival. From the day following their arrival owners will incur the expenses necessary for the care of same as per tariff.

ART. 143. In case of damage, loss, or death of animals, when the company is responsible for the same, it shall not pay more than \$100 per head for live stock specified in article 138 and \$20 per head for those specified in article 139, unless the owner shall have previously declared their value and paid a risk rate of one-half per cent upon said declared increased valuation in addition to the freight rate.

ART. 144. No cattle, horses, sheep, or other live stock which in the judgment of the company, its officers, or employees, may be infected with any disease shall be carried on the company's lines, and the company, its officers or employees may refuse to take any cattle, horses, sheep, or other live stock suspected by them to be diseased.

ART. 145. Animals not specified shall be classed for payment of freight as belonging to the class which they most resemble, taking into account the space occupied in the cars.

ART. 146. Wild or dangerous animals or animals for exhibition shall only be received when in cages which assure safety and can be moved with ease and without danger.

ART. 147. Small animals, such as cats, squirrels, pet birds, and poultry shall be delivered in cages, boxes, or baskets. They will only be transported by passenger trains and shall pay express rates although traveling with their owners.

ART. 148. For making a shipment of animals it is necessary to present a declaration as follows: First, names and addresses of consignor and consignee; second, place of destination; third, kind of animals and number; fourth, if the shipment be made prepaying freight or freight to be paid at destination.

ART. 149. Animals should be at the stations three hours before the train starts, but advice of shipment should be given one day beforehand, so that the necessary cars may be obtained if none should be ready; and delivery shall be made to consignee two hours after arrival of train at destination.

If after this time nobody comes to take delivery they will be placed in a corral and fed for account of owners.

Animals not taken delivery of by consignee within fifteen days after arrival may be sold, with the consent of the proper official, by the company for the account of whom it may concern. The amount realized shall be paid to owner of animals sold, after deducting the amount due the company for freight, warehousing, food, etc.

ART. 150. The company does not respond for those occurrences during journey which are liable to occur to this class of transport, nor for those which may happen during embarkation or disembarkation, unless resulting from negligence of the company or its employees.

ART. 151. Live stock will be carried by passenger trains at double the rates specified in articles 138 and 139.

CHAPTER VIII.—Vehicles.

ART. 152. The rate for vehicles shall be: Set up, per full carload, at fourth-class rates by freight train, and double this rate if sent by passenger train.

ART. 153. If knocked down, vehicles shall be rated as per classification and be subject to rules governing transport of merchandise.

ART. 154. Each shipment of wagons and vehicles of all kinds must be accompanied by a consignment note stating names and addresses of consignor and consignee: name of station

to which consigned; number and kind of vehicles: if freight is to be prepaid or paid at destination.

ART. 155. No other class of freight shall be loaded on cars containing vehicles.

ART. 156. Transport will be commenced at latest forty-eight hours after vehicles are delivered to company and same shall be taken away by consignee within twenty-four hours after arrival of train at destination, after which time storage will be charged as per tariff.

ART. 157. Vehicles shall be presented for shipment at least two hours before train by which it is required to ship same is due to leave.

ART. 158. The company may refuse to transport any vehicle which from its size may cause danger.

ART. 159. In case of loss or damage the company shall not be required to pay the owners of vehicles a greater amount per unit than—carriages for persons, 4-wheel, \$200; 2-wheel, \$100; carts with springs, 4-wheel, \$175; 2-wheel, \$80; carts without springs, 4-wheel, \$100; 2-wheel, \$50—unless the owners shall have previously declared their value and paid a risk of one-eighth of 1 per cent upon said declared increased valuation in addition to the freight rates.

CHAPTER IX.—*Loading and unloading.*

ART. 160. Loading and discharge of goods shipped by bulk or in full carload shall be for the account of the consignors and consignees.

ART. 161. When the loading and unloading is for the account of the consignors and consignees and these do not effect same within the time stipulated the company will effect these operations at following rate: Twenty cents per ton when goods are packed and easily handled; 30 cents per ton when in bulk or difficult to handle.

In the intermediate stations where the company has no personnel for effecting these operations cost price will be charged.

ART. 162. The company is not obliged under any circumstances to load or unload packages exceeding 1,500 kilograms in weight, except under a special arrangement.

ART. 163. Loading and unloading of live stock shall be done by owners, the company only attending to same when said owner is not present, or at his personal request, but in either case the company will not be responsible in case of damage.

CHAPTER X.—*Storage charges.*

ART. 164. Storage will be charged as per following tariff:

ART. 165. Baggage, 10 cents per day per package.

ART. 166. Express, 10 cents per 100 kilograms per twenty-four hours or fraction of twenty-four hours if not removed within twenty-four hours after arrival at destination.

ART. 167. Merchandise, if not removed on day of arrival at destination or on the following day, will incur storage charges according to the following tariff: For each day or fraction of a day over the above time specified, per ton per twenty-four hours or fraction of twenty-four hours, first class, 60 cents; second class, 44 cents; third class, 28 cents; fourth class, 20 cents.

ART. 168. Live stock, from day following that of arrival at destination, will incur storage charges per head per twenty-four hours or fraction thereof: Class A, \$1; Class B, 30 cents.

ART. 169. Vehicles, if not removed within twenty-four hours from time of arrival at destination, will incur storage as per full carload ordinary fourth-class freight.

CHAPTER XI.—*Reweighing.*

ART. 170. The company shall reweigh merchandise whenever the shipper shall require it, and if the weight ascertained by the company shall prove correct dues for reweighing shall be paid by the shipper as follows: Per 100 kilograms or fraction of 100 kilograms, 10 cents; per full carload, \$1.

CHAPTER XII.—*Lines within city limits and private sidings.*

ART. 171. On lines owned by company within city limits connecting with public or private warehouses at the ports or cities, such lines not exceeding 3 kilometers in length, the following charge per ton shall be made for transport one way over whole or part of length: First class, 50 cents; second class, 40 cents; third class, 30 cents; fourth class, 22 cents.

ART. 172. Lots shipped by full carload will be carried at 10 per cent reduction on above rates.

ART. 173. The time for the return of cars used as above shall be limited to six hours, and unless such cars are put at the disposition of the company within the time fixed herein, the company may make an extra charge for the use of same as specified in article 167, Chapter X, for each period of six hours or fraction thereof over and above the first six hours.

ART. 174. The company shall be paid siding charges per ton according to the following tariff whenever its cars shall be placed on private sidings or switches connecting with the lines of the company outside of its stations at the request of and for the purpose of being unloaded or loaded by the owner of the siding or switch: First class, 30 cents; second class, 20 cents; third class, 12 cents; fourth class, 8 cents.

ART. 175. The time allowed for loading or unloading on private sidings or switches shall be six working hours, to count from time cars are placed on said sidings or switches. If not loaded or unloaded within this time demurrage will be charged as per article 173 above.

CHAPTER XIII.—Military transport rates.

[Taking effect June 1, 1904.]

Base tariffs dated August 29, 1903, and conditions governing same, shall apply to military transport with the following modifications:

ART. 176. The maximum charge for traffic, both passenger and freight, shall be as follows:

PASSENGER.

ART. 177. Per kilometer:

	First class.	Second class.	Third class.
From 1 to 50 kilometers, inclusive.....	P0.056	P0.038	P0.02
From 51 to 120 kilometers, inclusive.....	.046	.034	.018
From 121 kilometers upward.....	.042	.028	.016

ART. 178. When passage for more than 10 and not to exceed 100 persons is called for on one transportation request at one time and for one train, but for any classes of passage, a reduction of 25 per cent shall be made in the above schedule; and where passage for more than 100 persons is called for on one transportation request at one time and for one train, but for any classes of passage, a reduction of 50 per cent shall be made in the above schedule.

ART. 179. The railroad company shall be entitled, when the above-mentioned reductions are made, to a minimum sum, which, in the case of the 25 per cent reduction, shall be equal to the price of 10 second-class fares (without reduction), for the same distance as the transportation request calls for, and in the case of the 50 per cent reduction, to the price of 100 second-class fares, with a reduction of 25 per cent for the same distance as the transportation request calls for.

FREIGHT.

ART. 180. Rates per ton per kilometer:

	First class.	Second class.	Third class.	Fourth class.
From 1 to 20 kilometers, inclusive.....	P0.12	P0.09	P0.07	P0.05
From 21 to 70 kilometers, inclusive.....	.046	.036	.026	.02
From 71 to 140 kilometers, inclusive.....	.042	.032	.02	.016
From 141 kilometers upward.....	.038	.028	.016	.012

ART. 181. The above freight rates are applicable to all hauls of 20 kilometers or more, and for hauls less than 20 kilometers the maximum charge may be the same as for a haul of that distance over any and all roads owned by the Manila Railway Company (Limited) that are subject to the railway tariff dated August 29, 1903, except so much of the line as is covered by Chapter XII of said tariff, and the branch line from Dau to Camp Stotsenberg.

ART. 182. The following rates shall be applied to the Stotsenberg Branch.

Passenger.—Rates shall be the same as those allowed for military transport on the Manila and Dagupan Railway, minimum charge of 20 kilometers from junction not to be taken into consideration.

Express freight.—Will be charged as on the Manila and Dagupan Railway, minimum charge of 20 kilometers from junction not to be taken into consideration.

Ordinary freight.—Transported over branch will be charged a minimum rate as for a haul of 20 kilometers. Any fraction of weight of less than 50 kilograms shall be considered as 50 kilograms.

Car rates will be charged as for a haul of 20 kilometers.

ART. 183. When a shipping officer deems it necessary for, or to the advantage of, the government to take for its use an entire car or entire cars, such car or cars shall be paid for according to the following schedule, which shall be known as the car kilometer rate:

	Per car per kilometer.		
	7-ton.	14-ton.	21-ton.
From 1 to 20 kilometers, inclusive	P0.35	P0.70	P1.05
From 21 to 70 kilometers, inclusive	.11	.28	.42
From 71 to 140 kilometers, inclusive	.112	.224	.336
From 141 kilometers upward	.084	.168	.252

The reduction of 10 per cent specified in article 120 will not be allowed on goods shipped under this rate.

ART. 184. In all cases where railway bills of lading are extended, it shall be the duty of the shipping officer to state in the column headed "Rate" and "Class" whether the freight is shipped on the "classified freight" or "car kilometer" basis, and, if the latter, the number and capacity of cars used must be specified.

The disbursing officer will be guided in the settlement of the bill of lading by this statement.

ART. 185. Bills of lading will ordinarily be prepared in metric units as specified in base tariffs, but when not so prepared the approximation 1 kilometer= $\frac{1}{2}$ mile, 1 kilogram=2.2 pounds and 1 cubic meter=35 cubic feet, may be used as the basis of reduction for settlement of accounts.

ART. 186. Where "insular" or other freight and United States freight are shipped in the same car, the "car kilometer" schedule will not be used. Shipments of "insular" or other freight and United States Government freight will always be made on separate bills of lading.

ART. 187. Minimum distance weight shipments and charges shall be made according to terms of base tariff.

ART. 188. The shipment of bullion and express matter shall be governed by, and settlement shall be made according to, terms of articles 79 to 99, inclusive, base tariff.

ART. 189. The shipment of live stock shall be governed by, and settlement shall be made according to, terms of articles 138 to 151, inclusive, base tariff.

ART. 190. The shipment of vehicles shall be governed by, and settlement shall be made according to, terms of articles 152 to 159, inclusive, base tariff.

LINES WITHIN CITY LIMITS AND PRIVATE SHEDS.

ART. 191. On lines owned by the Manila Railway Company (Limited) within the city limits, and not exceeding 3 kilometers in length, shipments shall be made in car lots only, and payment shall be made as follows: For 7-ton cars, P1.54; 14-ton cars, P3.08; 21-ton cars, P4.62.

The reduction of 10 per cent specified in article 172 will not be allowed on goods shipped under this rate.

ART. 192. Loading and unloading shall be governed by terms of articles 160 to 163, inclusive, base tariff.

ART. 193. Storage charges shall be governed by, and settlement shall be made according to, terms of articles 164 to 169, inclusive, base tariff.

SPECIAL TRAINS.

ART. 194. Special trains for military purposes may be called for upon the authority of the chief quartermaster of the Philippines Division, or the chief quartermaster of a department, when so directed by their respective commanding generals.

Payment for such special trains shall be based on the number of passengers carried and on the rates as set forth in articles 177 and 178, including the reductions, provided that the railway company shall be entitled to a minimum sum equal to the price of 100 second-class fares (with the 25 per cent reduction) for a run of 50 kilometers.

ART. 195. Each coach shall have marked upon it, so as to be clearly visible, the class and the number of men authorized to be carried as a maximum in said coach.

ART. 196. Where a special train is delayed for more than four hours by military authority, either after the hour set for the initial start of such train or while en route (excepting as result of active war), additional compensation shall be paid the railway company for the time of such delay, based on the following rates per hour: Locomotive, P3; 4-wheeled passenger coach, P0.12; 7-ton freight car, P0.06; 14-ton freight car, P0.12; 21-ton freight car, P0.18; completed hours only to be considered.

ART. 197. If any engine is lighted up by order of competent military authority, but not used, a minimum charge of \$25 dollars shall be allowed.

ART. 198. In case of military necessity government service shall have precedence over all other railway business, and in case of emergency, as determined by the military authorities, the entire rolling stock of the road must be placed at the disposition of the government.

ART. 199. Any character of transportation, or a retention of rolling stock by the government for special purposes, not hereinbefore provided for, shall be matter for special agreement.

ART. 200. It shall be the duty of the railway company to furnish, on application of quartermasters or other officers charged with shipping troops and supplies, at least one copy of "Base tariff," dated August 29, 1903, and classification of freight.

ART. 201. It shall be the duty of all quartermasters or other officers charged with shipping troops and supplies over the Manila and Dagupan Railway and its branches to secure and file with permanent office records at least one copy of "Base tariff," dated August 29, 1903, and classification of freight.

HORACE L. HIGGINS,
General Manager.

Kilometric rates.

PASSENGER.

[In Philippine currency.]

Kilometers.	Passengers.			Baggage per 100 kilometers.	Kilometers.	Passengers.			Baggage per 100 kilometers.
	First class.	Second class.	Third class.			First class.	Second class.	Third class.	
1	₱0.06	₱0.04	₱0.02		56	₱3.08	₱0.10	₱1.11	₱2.696
2	.11	.08	.04		57	3.12	2.14	1.13	2.112
3	.17	.11	.06		58	3.17	2.17	1.14	2.128
4	.22	.15	.08		59	3.21	2.21	1.16	2.144
5	.28	.19	.10		60	3.26	2.24	1.18	2.16
6	.34	.23	.12		61	3.31	2.27	1.20	2.176
7	.39	.27	.14		62	3.35	2.31	1.22	2.192
8	.45	.30	.16		63	3.40	2.34	1.23	2.208
9	.50	.34	.18		64	3.44	2.38	1.25	2.224
10	.56	.38	.20		65	3.49	2.41	1.27	2.24
11	.62	.42	.22		66	3.54	2.44	1.29	2.256
12	.67	.46	.24		67	3.58	2.48	1.31	2.272
13	.73	.49	.26		68	3.63	2.51	1.32	2.288
14	.78	.53	.28		69	3.67	2.55	1.34	2.304
15	.84	.57	.30		70	3.72	2.58	1.36	2.320
16	.90	.61	.32		71	3.77	2.61	1.38	2.336
17	.95	.65	.34		72	3.81	2.65	1.40	2.352
18	1.01	.68	.36		73	3.86	2.68	1.41	2.368
19	1.06	.72	.38		74	3.90	2.72	1.43	2.384
20	1.12	.76	.40	₱0.80	75	3.95	2.75	1.45	2.40
21	1.18	.80	.42	.84	76	4.00	2.78	1.47	2.416
22	1.23	.84	.44	.88	77	4.04	2.82	1.49	2.432
23	1.29	.87	.46	.92	78	4.09	2.85	1.50	2.448
24	1.34	.91	.48	.96	79	4.13	2.89	1.52	2.464
25	1.40	.95	.50	1.00	80	4.18	2.92	1.54	2.48
26	1.46	.99	.52	1.04	81	4.23	2.95	1.56	2.496
27	1.51	1.03	.54	1.08	82	4.27	2.99	1.58	2.512
28	1.57	1.06	.56	1.12	83	4.32	3.02	1.59	2.528
29	1.62	1.10	.58	1.16	84	4.36	3.06	1.61	2.544
30	1.68	1.14	.60	1.20	85	4.41	3.09	1.63	2.56
31	1.74	1.18	.62	1.24	86	4.46	3.12	1.65	2.576
32	1.79	1.22	.64	1.28	87	4.50	3.16	1.67	2.592
33	1.85	1.25	.66	1.32	88	4.55	3.19	1.68	2.608
34	1.90	1.29	.68	1.36	89	4.59	3.23	1.70	2.624
35	1.96	1.33	.70	1.40	90	4.64	3.26	1.72	2.64
36	2.02	1.37	.72	1.44	91	4.69	3.29	1.74	2.656
37	2.07	1.41	.74	1.48	92	4.73	3.33	1.76	2.672
38	2.13	1.44	.76	1.52	93	4.78	3.36	1.77	2.688
39	2.18	1.48	.78	1.56	94	4.82	3.40	1.79	2.704
40	2.24	1.52	.80	1.60	95	4.87	3.43	1.81	2.72
41	2.30	1.56	.82	1.64	96	4.92	3.46	1.83	2.736
42	2.35	1.60	.84	1.68	97	4.96	3.50	1.85	2.752
43	2.41	1.63	.86	1.72	98	5.01	3.53	1.86	2.768
44	2.46	1.67	.88	1.76	99	5.05	3.57	1.88	2.784
45	2.52	1.71	.90	1.80	100	5.10	3.60	1.90	2.800
46	2.58	1.75	.92	1.84	101	5.15	3.63	1.92	2.816
47	2.63	1.79	.94	1.88	102	5.19	3.67	1.94	2.832
48	2.69	1.82	.96	1.92	103	5.24	3.70	1.95	2.848
49	2.74	1.86	.98	1.96	104	5.28	3.74	1.97	2.864
50	2.80	1.90	1.00	2.00	105	5.33	3.77	1.99	2.88
51	2.85	1.93	1.02	2.04	106	5.38	3.80	2.01	2.896
52	2.89	1.97	1.04	2.08	107	5.42	3.84	2.03	2.912
53	2.94	2.00	1.05	2.12	108	5.47	3.87	2.04	2.928
54	2.98	2.04	1.07	2.16	109	5.51	3.91	2.06	2.944
55	3.03	2.07	1.09	2.20	110	5.56	3.94	2.08	2.960

Kilometric rates—Continued.

PASSENGER—Continued.

Kilometers.	Passengers.			Baggage per 100 kilometers.	Kilometers.	Passengers.			Baggage per 100 kilometers.
	First class.	Second class.	Third class.			First class.	Second class.	Third class.	
111.	P5.61	P3.97	P2.10	P2.976	187.	P8.83	P6.16	P3.33	P3.79
112.	5.65	4.01	2.12	2.992	188.	8.88	6.18	3.35	3.80
113.	5.70	4.04	2.13	3.008	189.	8.92	6.21	3.36	3.81
114.	5.74	4.08	2.15	3.024	190.	8.96	6.24	3.38	3.82
115.	5.79	4.11	2.17	3.04	191.	9.00	6.27	3.40	3.83
116.	5.84	4.14	2.19	3.056	192.	9.04	6.30	3.41	3.84
117.	5.88	4.18	2.21	3.072	193.	9.09	6.32	3.43	3.85
118.	5.93	4.21	2.22	3.088	194.	9.13	6.35	3.44	3.86
119.	5.97	4.25	2.24	3.104	195.	9.17	6.38	3.46	3.87
120.	6.02	4.28	2.26	3.12	196.	9.21	6.41	3.48	3.88
121.	6.06	4.31	2.28	3.13	197.	9.25	6.44	3.49	3.89
122.	6.10	4.34	2.29	3.14	198.	9.30	6.46	3.51	3.90
123.	6.15	4.36	2.31	3.15	199.	9.34	6.49	3.52	3.91
124.	6.19	4.39	2.32	3.16	200.	9.38	6.52	3.54	3.92
125.	6.23	4.42	2.34	3.17	201.	9.42	6.55	3.56	3.93
126.	6.27	4.45	2.36	3.18	202.	9.46	6.58	3.57	3.94
127.	6.31	4.48	2.37	3.19	203.	9.51	6.60	3.59	3.95
128.	6.36	4.50	2.39	3.20	204.	9.55	6.63	3.60	3.96
129.	6.40	4.53	2.40	3.21	205.	9.59	6.66	3.62	3.97
130.	6.44	4.56	2.42	3.22	206.	9.63	6.69	3.64	3.98
131.	6.48	4.59	2.44	3.23	207.	9.67	6.72	3.65	3.99
132.	6.52	4.62	2.45	3.24	208.	9.72	6.74	3.67	4.00
133.	6.57	4.64	2.47	3.25	209.	9.76	6.77	3.68	4.01
134.	6.61	4.67	2.48	3.26	210.	9.80	6.80	3.70	4.02
135.	6.65	4.70	2.50	3.27	211.	9.84	6.83	3.72	4.03
136.	6.69	4.73	2.52	3.28	212.	9.88	6.86	3.73	4.04
137.	6.73	4.76	2.53	3.29	213.	9.93	6.88	3.75	4.05
138.	6.78	4.78	2.55	3.30	214.	9.97	6.91	3.76	4.06
139.	6.82	4.81	2.56	3.31	215.	10.01	6.94	3.78	4.07
140.	6.86	4.84	2.58	3.32	216.	10.05	6.97	3.80	4.08
141.	6.90	4.87	2.60	3.33	217.	10.09	7.00	3.81	4.09
142.	6.94	4.90	2.61	3.34	218.	10.14	7.02	3.83	4.10
143.	6.99	4.92	2.63	3.35	219.	10.18	7.05	3.84	4.11
144.	7.03	4.95	2.64	3.36	220.	10.22	7.08	3.86	4.12
145.	7.07	4.98	2.66	3.37	221.	10.26	7.11	3.88	4.13
146.	7.11	5.01	2.68	3.38	222.	10.30	7.14	3.89	4.14
147.	7.15	5.04	2.69	3.39	223.	10.35	7.16	3.91	4.15
148.	7.20	5.06	2.71	3.40	224.	10.39	7.19	3.92	4.16
149.	7.24	5.09	2.72	3.41	225.	10.43	7.22	3.94	4.17
150.	7.28	5.12	2.74	3.42	226.	10.47	7.25	3.96	4.18
151.	7.32	5.15	2.76	3.43	227.	10.51	7.28	3.97	4.19
152.	7.36	5.18	2.77	3.44	228.	10.56	7.30	3.99	4.20
153.	7.41	5.20	2.79	3.45	229.	10.60	7.33	4.00	4.21
154.	7.45	5.23	2.80	3.46	230.	10.64	7.36	4.02	4.22
155.	7.49	5.26	2.82	3.47	231.	10.68	7.39	4.04	4.23
156.	7.53	5.29	2.84	3.48	232.	10.72	7.42	4.05	4.24
157.	7.57	5.32	2.85	3.49	233.	10.77	7.44	4.07	4.25
158.	7.62	5.34	2.87	3.50	234.	10.81	7.47	4.08	4.26
159.	7.66	5.37	2.88	3.51	235.	10.85	7.50	4.10	4.27
160.	7.70	5.40	2.90	3.52	236.	10.89	7.53	4.12	4.28
161.	7.74	5.43	2.92	3.53	237.	10.93	7.56	4.13	4.29
162.	7.78	5.46	2.93	3.54	238.	10.98	7.58	4.15	4.30
163.	7.83	5.48	2.95	3.55	239.	11.02	7.61	4.16	4.31
164.	7.87	5.51	2.96	3.56	240.	11.06	7.64	4.18	4.32
165.	7.91	5.54	2.98	3.57	241.	11.10	7.67	4.20	4.33
166.	7.95	5.57	3.00	3.58	242.	11.14	7.70	4.21	4.34
167.	7.99	5.60	3.01	3.59	243.	11.19	7.72	4.23	4.35
168.	8.04	5.62	3.03	3.60	244.	11.23	7.75	4.24	4.36
169.	8.08	5.65	3.04	3.61	245.	11.27	7.78	4.26	4.37
170.	8.12	5.68	3.06	3.62	246.	11.31	7.81	4.28	4.38
171.	8.16	5.71	3.08	3.63	247.	11.35	7.84	4.29	4.39
172.	8.20	5.74	3.09	3.64	248.	11.40	7.86	4.31	4.40
173.	8.25	5.76	3.11	3.65	249.	11.44	7.89	4.32	4.41
174.	8.29	5.79	3.12	3.66	250.	11.48	7.92	4.34	4.42
175.	8.33	5.82	3.14	3.67	251.	11.52	7.95	4.36	4.43
176.	8.37	5.85	3.16	3.68	252.	11.56	7.98	4.37	4.44
177.	8.41	5.88	3.17	3.69	253.	11.61	8.00	4.39	4.45
178.	8.46	5.90	3.19	3.70	254.	11.65	8.03	4.40	4.46
179.	8.50	5.93	3.20	3.71	255.	11.69	8.06	4.42	4.47
180.	8.54	5.96	3.22	3.72	256.	11.73	8.09	4.44	4.48
181.	8.58	5.99	3.24	3.73	257.	11.77	8.12	4.45	4.49
182.	8.62	6.02	3.25	3.74	258.	11.82	8.14	4.47	4.50
183.	8.67	6.04	3.27	3.75	259.	11.86	8.17	4.48	4.51
184.	8.71	6.07	3.28	3.76	260.	11.90	8.20	4.50	4.52
185.	8.75	6.10	3.30	3.77	261.	11.94	8.23	4.52	4.53
186.	8.79	6.13	3.32	3.78					

FREIGHT.

[In Philippine currency.]

Kilometers.	Classified freight, per ton of 1,000 kilos or 2 cubic meters.				Horses and cattle.				Pigs, sheep, goats, etc.				Parcels and express freight per ton of 1,000 kilos or 2 cubic meters.
	First class.	Second class.	Third class.	Fourth class.	For 1 horse or head of cattle.	For 2 horses or head of cattle.	For 3 horses or head of cattle.	For more than 3 head, per head.	1 to 5 in number, each.	6 to 10 in number, minimum charge as for 5, each.	11 to 20 in number, minimum charge as for 10, each.	21 or more in number, minimum charge as for 20, each.	
20.....	P 2.400	P 1.800	P 1.400	P 1.000	P 2.40	P 4.00	P 5.60	P 1.600	P 0.600	P 0.520	P 0.440	P 0.400	P 6.80
21.....	2.446	1.836	1.426	1.020	2.46	4.09	5.72	1.638	.616	.536	.454	.414	7.14
22.....	2.492	1.872	1.452	1.040	2.52	4.18	5.81	1.676	.632	.552	.468	.428	7.48
23.....	2.538	1.908	1.478	1.060	2.58	4.27	5.96	1.714	.648	.568	.482	.442	7.82
24.....	2.584	1.944	1.504	1.080	2.64	4.36	6.08	1.752	.664	.584	.496	.456	8.16
25.....	2.630	1.980	1.530	1.100	2.70	4.45	6.20	1.790	.680	.600	.510	.470	8.50
26.....	2.676	2.016	1.556	1.120	2.76	4.54	6.32	1.828	.696	.616	.524	.484	8.84
27.....	2.722	2.052	1.582	1.140	2.82	4.63	6.44	1.866	.712	.632	.538	.498	9.18
28.....	2.768	2.088	1.608	1.160	2.88	4.72	6.56	1.904	.728	.648	.552	.512	9.52
29.....	2.814	2.124	1.634	1.180	2.94	4.81	6.68	1.942	.744	.664	.566	.526	9.86
30.....	2.860	2.160	1.660	1.200	3.00	4.90	6.80	1.980	.760	.680	.580	.540	10.20
31.....	2.906	2.196	1.686	1.220	3.06	4.99	6.92	2.018	.776	.696	.594	.554	10.54
32.....	2.952	2.232	1.712	1.240	3.12	5.08	7.04	2.056	.792	.712	.608	.568	10.88
33.....	2.998	2.268	1.738	1.260	3.18	5.17	7.16	2.094	.808	.728	.622	.582	11.22
34.....	3.044	2.304	1.764	1.280	3.24	5.26	7.28	2.132	.824	.744	.636	.596	11.56
35.....	3.090	2.340	1.790	1.300	3.30	5.35	7.40	2.170	.840	.760	.650	.610	11.90
36.....	3.136	2.376	1.816	1.320	3.36	5.44	7.52	2.208	.856	.776	.664	.624	12.24
37.....	3.182	2.412	1.842	1.340	3.42	5.53	7.64	2.246	.872	.792	.678	.638	12.58
38.....	3.228	2.448	1.868	1.360	3.48	5.62	7.76	2.284	.888	.808	.692	.652	12.92
39.....	3.274	2.484	1.894	1.380	3.54	5.71	7.88	2.322	.904	.824	.706	.666	13.26
40.....	3.320	2.520	1.920	1.400	3.60	5.80	8.00	2.360	.920	.840	.720	.680	13.60
41.....	3.366	2.556	1.946	1.420	3.66	5.89	8.12	2.398	.936	.856	.734	.694	13.94
42.....	3.412	2.592	1.972	1.440	3.72	5.98	8.24	2.436	.952	.872	.748	.708	14.28
43.....	3.458	2.628	1.998	1.460	3.78	6.07	8.36	2.474	.968	.888	.762	.722	14.62
44.....	3.504	2.664	2.024	1.480	3.84	6.16	8.48	2.512	.984	.904	.776	.736	14.96
45.....	3.550	2.700	2.050	1.500	3.90	6.25	8.60	2.550	1.000	.920	.790	.750	15.30
46.....	3.596	2.736	2.076	1.520	3.96	6.34	8.72	2.588	1.016	.936	.804	.764	15.64
47.....	3.642	2.772	2.102	1.540	4.02	6.43	8.84	2.626	1.032	.952	.818	.778	15.98
48.....	3.688	2.808	2.128	1.560	4.08	6.52	8.96	2.664	1.048	.968	.832	.792	16.32
49.....	3.734	2.844	2.154	1.580	4.14	6.61	9.08	2.702	1.064	.984	.846	.806	16.66
50.....	3.780	2.880	2.180	1.600	4.20	6.70	9.20	2.740	1.080	1.000	.860	.820	17.00
51.....	3.826	2.916	2.206	1.620	4.26	6.79	9.32	2.778	1.096	1.016	.874	.834	17.34
52.....	3.872	2.952	2.232	1.640	4.32	6.88	9.44	2.816	1.112	1.032	.888	.848	17.68
53.....	3.918	2.988	2.258	1.660	4.38	6.97	9.56	2.854	1.128	1.048	.902	.862	18.02
54.....	3.964	3.024	2.284	1.680	4.44	7.06	9.68	2.892	1.144	1.064	.916	.876	18.36
55.....	4.010	3.060	2.310	1.700	4.50	7.15	9.80	2.930	1.160	1.080	.930	.890	18.70
56.....	4.056	3.096	2.336	1.720	4.56	7.24	9.92	2.968	1.176	1.096	.944	.904	19.04
57.....	4.102	3.132	2.362	1.740	4.62	7.33	10.01	3.006	1.192	1.112	.958	.918	19.38
58.....	4.148	3.168	2.388	1.760	4.68	7.42	10.16	3.044	1.208	1.128	.972	.932	19.72
59.....	4.194	3.204	2.414	1.780	4.74	7.51	10.28	3.082	1.224	1.144	.986	.946	20.06
60.....	4.240	3.240	2.440	1.800	4.80	7.60	10.40	3.120	1.240	1.160	1.000	.960	20.40
61.....	4.286	3.276	2.466	1.820	4.86	7.69	10.52	3.158	1.256	1.176	1.014	.974	20.74
62.....	4.332	3.312	2.492	1.840	4.92	7.78	10.64	3.196	1.272	1.192	1.028	.988	21.08
63.....	4.378	3.348	2.518	1.860	4.98	7.87	10.76	3.234	1.288	1.208	1.042	1.002	21.42
64.....	4.424	3.384	2.544	1.880	5.04	7.96	10.88	3.272	1.304	1.224	1.056	1.016	21.76
65.....	4.470	3.420	2.570	1.900	5.10	8.05	11.00	3.310	1.320	1.240	1.070	1.030	22.10
66.....	4.516	3.456	2.596	1.920	5.16	8.14	11.12	3.348	1.336	1.256	1.084	1.044	22.44
67.....	4.562	3.492	2.622	1.940	5.22	8.23	11.24	3.386	1.352	1.272	1.098	1.058	22.78
68.....	4.608	3.528	2.648	1.960	5.28	8.32	11.36	3.424	1.368	1.288	1.112	1.072	23.12
69.....	4.654	3.564	2.674	1.980	5.34	8.41	11.48	3.462	1.384	1.304	1.126	1.086	23.46
70.....	4.700	3.600	2.700	2.000	5.40	8.50	11.60	3.500	1.400	1.320	1.140	1.100	23.80
71.....	4.746	3.636	2.726	2.016	5.45	8.57	11.69	3.538	1.416	1.336	1.148	1.108	24.14
72.....	4.792	3.672	2.752	2.032	5.50	8.64	11.78	3.576	1.432	1.352	1.156	1.116	24.48
73.....	4.838	3.708	2.778	2.048	5.55	8.71	11.87	3.614	1.448	1.368	1.164	1.124	24.82
74.....	4.884	3.744	2.804	2.064	5.60	8.78	11.96	3.652	1.464	1.384	1.172	1.132	25.16
75.....	4.930	3.780	2.830	2.080	5.65	8.85	12.05	3.690	1.480	1.400	1.180	1.140	25.50
76.....	4.976	3.816	2.856	2.096	5.70	8.92	12.14	3.728	1.496	1.416	1.188	1.148	25.84
77.....	5.022	3.852	2.882	2.112	5.75	8.99	12.23	3.766	1.512	1.432	1.196	1.156	26.18
78.....	5.068	3.888	2.908	2.128	5.80	9.06	12.32	3.804	1.528	1.448	1.204	1.164	26.52
79.....	5.114	3.924	2.934	2.144	5.85	9.13	12.41	3.842	1.544	1.464	1.212	1.172	26.86
80.....	5.160	3.960	2.960	2.160	5.90	9.20	12.50	3.880	1.560	1.480	1.220	1.180	27.20
81.....	5.206	4.000	2.990	2.176	5.95	9.27	12.59	3.918	1.576	1.496	1.228	1.188	27.54
82.....	5.252	4.040	3.020	2.192	6.00	9.34	12.68	3.956	1.592	1.512	1.236	1.196	27.88
83.....	5.298	4.080	3.060	2.208	6.05	9.41	12.77	3.994	1.608	1.528	1.244	1.204	28.22
84.....	5.344	4.120	3.100	2.224	6.10	9.48	12.86	4.032	1.624	1.544	1.252	1.212	28.56
85.....	5.390	4.160	3.140	2.240	6.15	9.55	12.95	4.070	1.640	1.560	1.260	1.220	28.90
86.....	5.436	4.200	3.180	2.256	6.20	9.62	13.04	4.108	1.656	1.576	1.268	1.228	29.24

Kilometric rates—Continued.

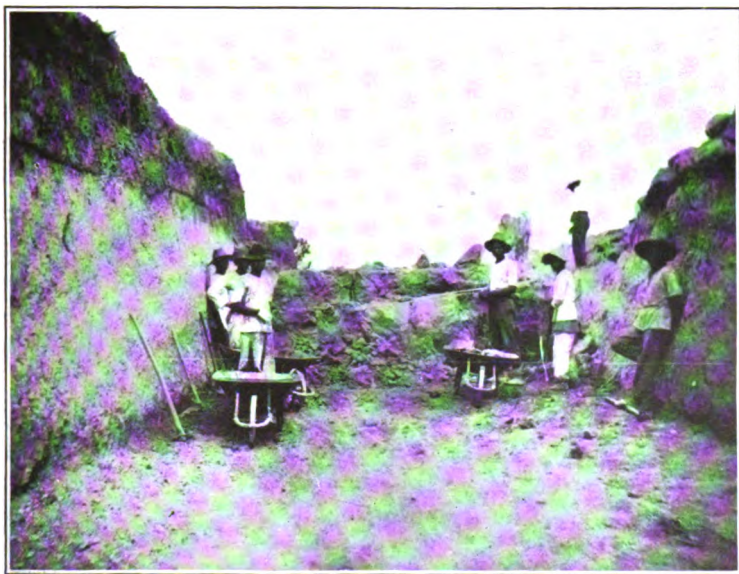
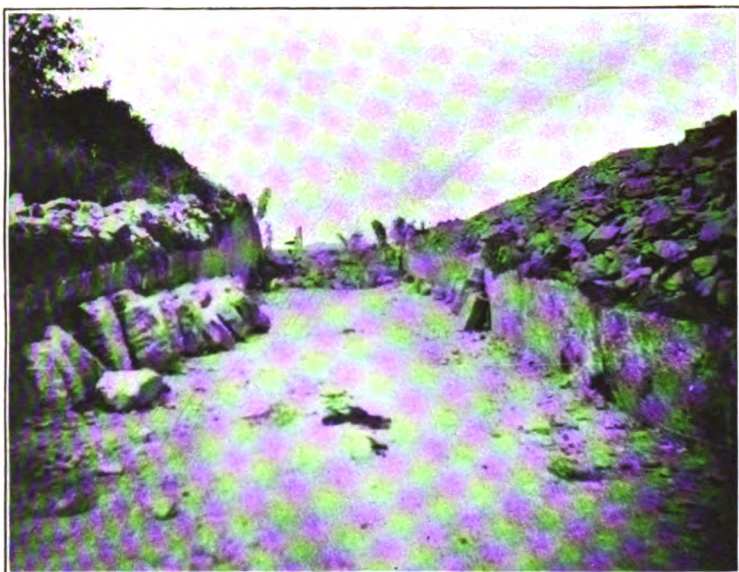
FREIGHT—Continued.

Kilometers.	Classified freight, per ton of 1,000 kilos or 2 cubic meters.				Horses and cattle.				Pigs, sheep, goats, etc.				Parcels and express freight, per ton of 1,000 kilos or 2 cubic meters.
	First class.	Second class.	Third class.	Fourth class.	For 1 horse or head of cattle.	For 2 horses or head of cattle.	For 3 horses or head of cattle.	For more than 3 head, per head.	1 to 5 in number, each.	6 to 10 in number, minimum charge as for 5, each.	11 to 20 in number, minimum charge as for 10, each.	21 or more in number, minimum charge as for 20, each.	
87.	P5.414	P4.144	P3.040	P2.274	P6.25	P9.69	P13.13	P3.976	P1.570	P1.490	P1.276	P1.236	P32.92
88.	5.456	4.176	3.060	2.290	6.30	9.76	13.22	4.004	1.580	1.500	1.284	1.244	23.08
89.	5.498	4.208	3.080	2.306	6.35	9.83	13.31	4.032	1.590	1.510	1.292	1.252	23.24
90.	5.540	4.240	3.100	2.320	6.40	9.90	13.40	4.060	1.600	1.520	1.300	1.260	23.40
91.	5.582	4.272	3.120	2.336	6.45	9.97	13.49	4.088	1.610	1.530	1.308	1.268	23.56
92.	5.624	4.304	3.140	2.352	6.50	10.04	13.58	4.116	1.620	1.540	1.316	1.276	23.72
93.	5.666	4.336	3.160	2.368	6.55	10.11	13.67	4.144	1.630	1.550	1.324	1.284	23.88
94.	5.708	4.368	3.180	2.384	6.60	10.18	13.76	4.172	1.640	1.560	1.332	1.292	24.04
95.	5.750	4.400	3.200	2.400	6.65	10.25	13.85	4.200	1.650	1.570	1.340	1.300	24.20
96.	5.792	4.432	3.220	2.416	6.70	10.32	13.94	4.228	1.660	1.580	1.348	1.308	24.36
97.	5.834	4.464	3.240	2.432	6.75	10.39	14.03	4.256	1.670	1.590	1.356	1.316	24.52
98.	5.876	4.496	3.260	2.448	6.80	10.46	14.12	4.284	1.680	1.600	1.364	1.324	24.68
99.	5.918	4.528	3.280	2.464	6.85	10.53	14.21	4.312	1.690	1.610	1.372	1.332	24.84
100.	5.960	4.560	3.300	2.480	6.90	10.60	14.30	4.340	1.700	1.620	1.380	1.340	25.00
101.	6.002	4.592	3.320	2.496	6.95	10.67	14.39	4.368	1.710	1.630	1.388	1.348	25.16
102.	6.044	4.624	3.340	2.512	7.00	10.74	14.48	4.396	1.720	1.640	1.396	1.356	25.32
103.	6.086	4.656	3.360	2.528	7.05	10.81	14.57	4.424	1.730	1.650	1.404	1.364	25.48
104.	6.128	4.688	3.380	2.544	7.10	10.88	14.66	4.452	1.740	1.660	1.412	1.372	25.64
105.	6.170	4.720	3.400	2.560	7.15	10.95	14.75	4.480	1.750	1.670	1.420	1.380	25.80
106.	6.212	4.752	3.420	2.576	7.20	11.02	14.84	4.508	1.760	1.680	1.428	1.388	25.96
107.	6.254	4.784	3.440	2.592	7.25	11.09	14.93	4.536	1.770	1.690	1.436	1.396	26.12
108.	6.296	4.816	3.460	2.608	7.30	11.16	15.02	4.564	1.780	1.700	1.444	1.404	26.28
109.	6.338	4.848	3.480	2.624	7.35	11.23	15.11	4.592	1.790	1.710	1.452	1.412	26.44
110.	6.380	4.880	3.500	2.640	7.40	11.30	15.20	4.620	1.800	1.720	1.460	1.420	26.60
111.	6.422	4.912	3.520	2.656	7.45	11.37	15.29	4.648	1.810	1.730	1.468	1.428	26.76
112.	6.464	4.944	3.540	2.672	7.50	11.44	15.38	4.676	1.820	1.740	1.476	1.436	26.92
113.	6.506	4.976	3.560	2.688	7.55	11.51	15.47	4.704	1.830	1.750	1.484	1.444	27.08
114.	6.548	5.008	3.580	2.704	7.60	11.58	15.56	4.732	1.840	1.760	1.492	1.452	27.24
115.	6.590	5.040	3.600	2.720	7.65	11.65	15.65	4.760	1.850	1.770	1.500	1.460	27.40
116.	6.632	5.072	3.620	2.736	7.70	11.72	15.74	4.788	1.860	1.780	1.508	1.468	27.56
117.	6.674	5.104	3.640	2.752	7.75	11.79	15.83	4.816	1.870	1.790	1.516	1.476	27.72
118.	6.716	5.136	3.660	2.768	7.80	11.86	15.92	4.844	1.880	1.800	1.524	1.484	27.88
119.	6.758	5.168	3.680	2.784	7.85	11.93	16.01	4.872	1.890	1.810	1.532	1.492	28.04
120.	6.800	5.200	3.700	2.800	7.90	12.00	16.10	4.900	1.900	1.820	1.540	1.500	28.20
121.	6.842	5.232	3.720	2.816	7.95	12.07	16.19	4.928	1.910	1.830	1.548	1.508	28.36
122.	6.884	5.264	3.740	2.832	8.00	12.14	16.28	4.956	1.920	1.840	1.556	1.516	28.52
123.	6.926	5.296	3.760	2.848	8.05	12.21	16.37	4.984	1.930	1.850	1.564	1.524	28.68
124.	6.968	5.328	3.780	2.864	8.10	12.28	16.46	5.012	1.940	1.860	1.572	1.532	28.84
125.	7.010	5.360	3.800	2.880	8.15	12.35	16.55	5.040	1.950	1.870	1.580	1.540	29.00
126.	7.052	5.392	3.820	2.896	8.20	12.42	16.64	5.068	1.960	1.880	1.588	1.548	29.16
127.	7.094	5.424	3.840	2.912	8.25	12.49	16.73	5.096	1.970	1.890	1.596	1.556	29.32
128.	7.136	5.456	3.860	2.928	8.30	12.56	16.82	5.124	1.980	1.900	1.604	1.564	29.48
129.	7.178	5.488	3.880	2.944	8.35	12.63	16.91	5.152	1.990	1.910	1.612	1.572	29.64
130.	7.220	5.520	3.900	2.960	8.40	12.70	17.00	5.180	2.000	1.920	1.620	1.580	29.80
131.	7.262	5.552	3.920	2.976	8.45	12.77	17.09	5.208	2.010	1.930	1.628	1.588	29.96
132.	7.304	5.584	3.940	2.992	8.50	12.84	17.18	5.236	2.020	1.940	1.636	1.596	30.12
133.	7.346	5.616	3.960	3.008	8.55	12.91	17.27	5.264	2.030	1.950	1.644	1.604	30.28
134.	7.388	5.648	3.980	3.024	8.60	12.98	17.36	5.292	2.040	1.960	1.652	1.612	30.44
135.	7.430	5.680	4.000	3.040	8.65	13.05	17.45	5.320	2.050	1.970	1.660	1.620	30.60
136.	7.472	5.712	4.020	3.056	8.70	13.12	17.54	5.348	2.060	1.980	1.668	1.628	30.76
137.	7.514	5.744	4.040	3.072	8.75	13.19	17.63	5.376	2.070	1.990	1.676	1.636	30.92
138.	7.556	5.776	4.060	3.088	8.80	13.26	17.72	5.404	2.080	2.000	1.684	1.644	31.08
139.	7.598	5.808	4.080	3.104	8.85	13.33	17.81	5.432	2.090	2.010	1.692	1.652	31.24
140.	7.640	5.840	4.100	3.120	8.90	13.40	17.90	5.460	2.100	2.020	1.700	1.660	31.40
141.	7.678	5.868	4.116	3.132	8.94	13.45	17.96	5.488	2.106	2.026	1.706	1.664	31.56
142.	7.716	5.896	4.132	3.144	8.98	13.50	18.02	5.500	2.112	2.032	1.712	1.668	31.72
143.	7.754	5.924	4.148	3.156	9.02	13.55	18.08	5.520	2.118	2.038	1.718	1.672	31.88
144.	7.792	5.952	4.164	3.168	9.06	13.60	18.14	5.540	2.124	2.044	1.724	1.676	32.04
145.	7.830	5.980	4.180	3.180	9.10	13.65	18.20	5.560	2.130	2.050	1.730	1.680	32.20
146.	7.868	6.008	4.196	3.192	9.14	13.70	18.26	5.580	2.136	2.056	1.736	1.684	32.36
147.	7.906	6.036	4.212	3.204	9.18	13.75	18.32	5.600	2.142	2.062	1.742	1.688	32.52
148.	7.944	6.064	4.228	3.216	9.22	13.80	18.38	5.620	2.148	2.068	1.748	1.692	32.68
149.	7.982	6.092	4.244	3.228	9.26	13.85	18.44	5.640	2.154	2.074	1.754	1.696	32.84
150.	8.020	6.120	4.260	3.240	9.30	13.90	18.50	5.660	2.160	2.080	1.760	1.700	33.00
151.	8.058	6.148	4.276	3.252	9.34	13.95	18.56	5.680	2.166	2.086	1.766	1.704	33.16
152.	8.096	6.176	4.292	3.264	9.38	14.00	18.62	5.700	2.172	2.092	1.772	1.708	33.32

Kilometric rates—Continued.

FREIGHT—Continued.

Kilometers.	Classified freight, per ton of 1,000 kilos or 2 cubic meters.				Horses and cattle.				Pigs, sheep, goats, etc.				Parcels and express freight, per ton of 1,000 kilos or 2 cubic meters.
	First class.	Second class.	Third class.	Fourth class.	For 1 horse or head of cattle.	For 2 horses or head of cattle.	For 3 horses or head of cattle.	For more than 3 head, per head.	1 to 5 in number, each.	6 to 10 in number, minimum charge as for 5, each.	11 to 20 in number, minimum charge as for 10, each.	21 or more in number, minimum charge as for 20, each.	
153.....	8.134	6.204	4.308	3.276	9.42	14.05	18.68	5.720	2.178	2.098	1.778	1.712	31.50
154.....	8.172	6.232	4.324	3.288	9.46	14.10	18.74	5.740	2.184	2.104	1.784	1.716	31.60
155.....	8.210	6.260	4.340	3.300	9.50	14.15	18.80	5.760	2.190	2.110	1.790	1.720	31.70
156.....	8.248	6.288	4.356	3.312	9.54	14.20	18.86	5.780	2.196	2.116	1.796	1.724	31.80
157.....	8.286	6.316	4.372	3.324	9.58	14.25	18.92	5.800	2.202	2.122	1.802	1.728	31.90
158.....	8.324	6.344	4.388	3.336	9.62	14.30	18.98	5.820	2.208	2.128	1.808	1.732	32.00
159.....	8.362	6.372	4.404	3.348	9.66	14.35	19.04	5.840	2.214	2.134	1.814	1.736	32.10
160.....	8.400	6.400	4.420	3.360	9.70	14.40	19.10	5.860	2.220	2.140	1.820	1.740	32.20
161.....	8.438	6.428	4.436	3.372	9.74	14.45	19.16	5.880	2.226	2.146	1.826	1.744	32.30
162.....	8.476	6.456	4.452	3.384	9.78	14.50	19.22	5.900	2.232	2.152	1.832	1.748	32.40
163.....	8.524	6.484	4.468	3.396	9.82	14.55	19.28	5.920	2.238	2.158	1.838	1.752	32.50
164.....	8.552	6.512	4.484	3.408	9.86	14.60	19.34	5.940	2.244	2.164	1.844	1.756	32.60
165.....	8.590	6.540	4.500	3.420	9.90	14.65	19.40	5.960	2.250	2.170	1.850	1.760	32.70
166.....	8.628	6.568	4.516	3.432	9.94	14.70	19.46	5.980	2.256	2.176	1.856	1.764	32.80
167.....	8.666	6.596	4.532	3.444	9.98	14.75	19.52	6.000	2.262	2.182	1.862	1.768	32.90
168.....	8.704	6.624	4.548	3.456	10.02	14.80	19.58	6.020	2.268	2.188	1.868	1.772	33.00
169.....	8.742	6.652	4.564	3.468	10.06	14.85	19.64	6.040	2.274	2.194	1.874	1.776	33.10
170.....	8.780	6.680	4.580	3.480	10.10	14.90	19.70	6.060	2.280	2.200	1.880	1.780	33.20
171.....	8.818	6.708	4.596	3.492	10.14	14.95	19.76	6.080	2.286	2.206	1.886	1.784	33.30
172.....	8.856	6.736	4.612	3.504	10.18	15.00	19.82	6.100	2.292	2.212	1.892	1.788	33.40
173.....	8.894	6.764	4.628	3.516	10.22	15.05	19.88	6.120	2.298	2.218	1.898	1.792	33.50
174.....	8.932	6.792	4.644	3.528	10.26	15.10	19.94	6.140	2.304	2.224	1.904	1.796	33.60
175.....	8.970	6.820	4.660	3.540	10.30	15.15	20.00	6.160	2.310	2.230	1.910	1.800	33.70
176.....	9.008	6.848	4.676	3.552	10.34	15.20	20.06	6.180	2.316	2.236	1.916	1.804	33.80
177.....	9.046	6.876	4.692	3.564	10.38	15.25	20.12	6.200	2.322	2.242	1.922	1.808	33.90
178.....	9.084	6.904	4.708	3.576	10.42	15.30	20.18	6.220	2.328	2.248	1.928	1.812	34.00
179.....	9.122	6.932	4.724	3.588	10.46	15.35	20.24	6.240	2.334	2.254	1.934	1.816	34.10
180.....	9.160	6.960	4.740	3.600	10.50	15.40	20.30	6.260	2.340	2.260	1.940	1.820	34.20
181.....	9.198	6.988	4.756	3.612	10.54	15.45	20.36	6.280	2.346	2.266	1.946	1.824	34.30
182.....	9.236	7.016	4.772	3.624	10.58	15.50	20.42	6.300	2.352	2.272	1.952	1.828	34.40
183.....	9.274	7.044	4.788	3.636	10.62	15.55	20.48	6.320	2.358	2.278	1.958	1.832	34.50
184.....	9.312	7.072	4.804	3.648	10.66	15.60	20.54	6.340	2.364	2.284	1.964	1.836	34.60
185.....	9.350	7.100	4.820	3.660	10.70	15.65	20.60	6.360	2.370	2.290	1.970	1.840	34.70
186.....	9.388	7.128	4.836	3.672	10.74	15.70	20.66	6.380	2.376	2.296	1.976	1.844	34.80
187.....	9.426	7.156	4.852	3.684	10.78	15.75	20.72	6.400	2.382	2.302	1.982	1.848	34.90
188.....	9.464	7.184	4.868	3.696	10.82	15.80	20.78	6.420	2.388	2.308	1.988	1.852	35.00
189.....	9.502	7.212	4.884	3.708	10.86	15.85	20.84	6.440	2.394	2.314	1.994	1.856	35.10
190.....	9.540	7.240	4.900	3.720	10.90	15.90	20.90	6.460	2.400	2.320	2.000	1.860	35.20
191.....	9.578	7.268	4.916	3.732	10.94	15.95	20.96	6.480	2.406	2.326	2.006	1.864	35.30
192.....	9.616	7.296	4.932	3.744	10.98	16.00	21.02	6.500	2.412	2.332	2.012	1.868	35.40
193.....	9.654	7.324	4.948	3.756	11.02	16.05	21.08	6.520	2.418	2.338	2.018	1.872	35.50
194.....	9.692	7.352	4.964	3.768	11.06	16.10	21.14	6.540	2.424	2.344	2.024	1.876	35.60
195.....	9.730	7.380	4.980	3.780	11.10	16.15	21.20	6.560	2.430	2.350	2.030	1.880	35.70
196.....	9.768	7.408	4.996	3.792	11.14	16.20	21.26	6.580	2.436	2.356	2.036	1.884	35.80
197.....	9.806	7.436	5.012	3.804	11.18	16.25	21.32	6.600	2.442	2.362	2.042	1.888	35.90
198.....	9.844	7.464	5.028	3.816	11.22	16.30	21.38	6.620	2.448	2.368	2.048	1.892	36.00
199.....	9.882	7.492	5.044	3.828	11.26	16.35	21.44	6.640	2.454	2.374	2.054	1.896	36.10
200.....	9.920	7.520	5.060	3.840	11.30	16.40	21.50	6.660	2.460	2.380	2.060	1.900	36.20
201.....	9.958	7.548	5.076	3.852	11.34	16.45	21.56	6.680	2.466	2.386	2.066	1.904	36.30
202.....	9.996	7.576	5.092	3.864	11.38	16.50	21.62	6.700	2.472	2.392	2.072	1.908	36.40
203.....	10.034	7.604	5.108	3.876	11.42	16.55	21.68	6.720	2.478	2.398	2.078	1.912	36.50
204.....	10.072	7.632	5.124	3.888	11.46	16.60	21.74	6.740	2.484	2.404	2.084	1.916	36.60
205.....	10.110	7.660	5.140	3.900	11.50	16.65	21.80	6.760	2.490	2.410	2.090	1.920	36.70
206.....	10.148	7.688	5.156	3.912	11.54	16.70	21.86	6.780	2.496	2.416	2.096	1.924	36.80
207.....	10.186	7.716	5.172	3.924	11.58	16.75	21.92	6.800	2.502	2.422	2.102	1.928	36.90
208.....	10.224	7.744	5.188	3.936	11.62	16.80	21.98	6.820	2.508	2.428	2.108	1.932	37.00
209.....	10.262	7.772	5.204	3.948	11.66	16.85	22.04	6.840	2.514	2.434	2.114	1.936	37.10
210.....	10.300	7.800	5.220	3.960	11.70	16.90	22.10	6.860	2.520	2.440	2.120	1.940	37.20
211.....	10.338	7.828	5.236	3.972	11.74	16.95	22.16	6.880	2.526	2.446	2.126	1.944	37.30
212.....	10.376	7.856	5.252	3.984	11.78	17.00	22.22	6.900	2.532	2.452	2.132	1.948	37.40
213.....	10.414	7.884	5.268	3.996	11.82	17.05	22.28	6.920	2.538	2.458	2.138	1.952	37.50
214.....	10.452	7.912	5.284	4.008	11.86	17.10	22.34	6.940	2.544	2.464	2.144	1.956	37.60
215.....	10.490	7.940	5.300	4.020	11.90	17.15	22.40	6.960	2.550	2.470	2.150	1.960	37.70
216.....	10.528	7.968	5.316	4.032	11.94	17.20	22.46	6.980	2.556	2.476	2.156	1.964	37.80
217.....	10.566	7.996	5.332	4.044	11.98	17.25	22.52	7.000	2.562	2.482	2.162	1.968	37.90
218.....	10.604	8.024	5.348	4.056	12.02	17.30	22.58	7.020	2.568	2.488	2.168	1.972	38.00



ROCK CUT AT SAN FELIPE NERI, ANTIPOLLO EXTENSION.



APPROACH TO CROSSING OF SAN JUAN RIVER, ANTIPOLLO EXTENSION.



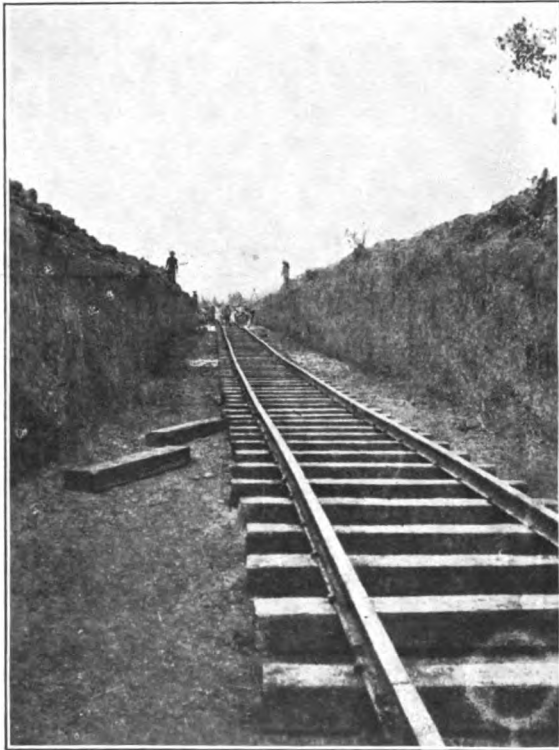
ROCK CUT AT SAN FELIPE NERI, ANTIPOLLO EXTENSION.



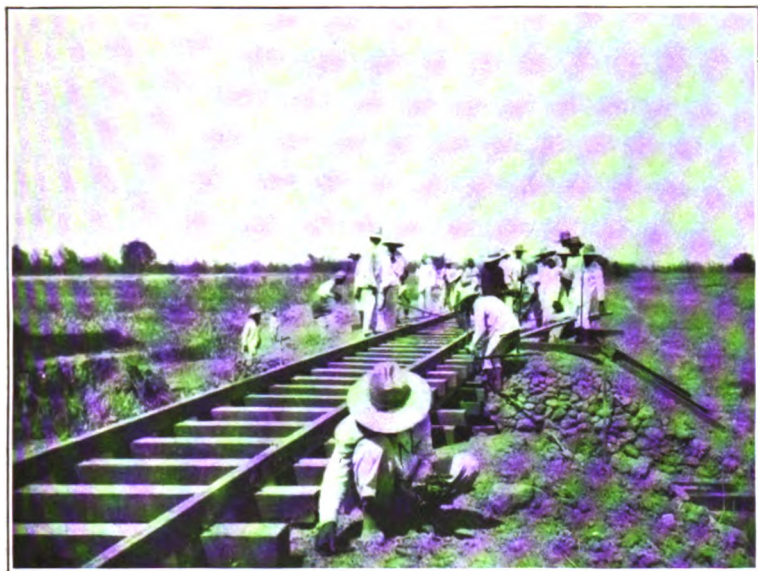
PILE TRESTLE, CABANATUAN EXTENSION.



TYPE OF CULVERT, CABANATUAN EXTENSION.



CUT NEAR MASINI, CABANATUAN EXTENSION.



LAYING TRACK, CABANATUAN EXTENSION.



CONSTRUCTION OF TEMPORARY TRESTLE ACROSS QUINGUA RIVER, CABANATUAN EXTENSION.

Kilometric rates—Continued.

FREIGHT—Continued.

Kilometers.	Classified freight, per ton of 1,000 kilos or 2 cubic meters.				Horses and cattle.				Pigs, sheep, goats, etc.				
	First class.	Second class.	Third class.	Fourth class.	For 1 horse or head of cattle.	For 2 horses or head of cattle.	For 3 horses or head of cattle.	For more than 3 head, per head.	1 to 5 in number, each.	6 to 10 in number, minimum charge as for 5, each.	11 to 20 in number, minimum charge as for 10, each.	21 or more in number, minimum charge as for 20, each.	Parcels and express freight, per ton of 1,000 kilos or 2 cubic meters.
219....	P 10.642	P 8.052	P 5.364	P 4.068	P 12.06	P 17.35	P 22.64	P 7.040	P 2.574	P 2.494	P 2.174	P 1.976	P 38.10
220....	10.680	8.080	5.380	4.080	12.10	17.40	22.70	7.060	2.580	2.500	2.180	1.980	38.20
221....	10.718	8.108	5.396	4.092	12.14	17.45	22.76	7.080	2.586	2.506	2.186	1.984	38.30
222....	10.756	8.136	5.412	4.104	12.18	17.50	22.82	7.100	2.592	2.512	2.192	1.988	38.40
223....	10.794	8.164	5.428	4.116	12.22	17.55	22.88	7.120	2.598	2.518	2.198	1.992	38.50
224....	10.832	8.192	5.444	4.128	12.26	17.60	22.94	7.140	2.604	2.524	2.204	1.996	38.60
225....	10.870	8.220	5.460	4.140	12.30	17.65	23.00	7.160	2.610	2.530	2.210	2.000	38.70
226....	10.908	8.248	5.476	4.152	12.34	17.70	23.06	7.180	2.616	2.536	2.216	2.004	38.80
227....	10.946	8.276	5.492	4.164	12.38	17.75	23.12	7.200	2.622	2.542	2.222	2.008	38.90
228....	10.984	8.304	5.508	4.176	12.42	17.80	23.18	7.220	2.628	2.548	2.228	2.012	39.00
229....	11.022	8.332	5.524	4.188	12.46	17.85	23.24	7.240	2.634	2.554	2.234	2.016	39.10
230....	11.060	8.360	5.540	4.200	12.50	17.90	23.30	7.260	2.640	2.560	2.240	2.020	39.20
231....	11.098	8.388	5.556	4.212	12.54	17.95	23.36	7.280	2.646	2.566	2.246	2.024	39.30
232....	11.136	8.416	5.572	4.224	12.58	18.00	23.42	7.300	2.652	2.572	2.252	2.028	39.40
233....	11.174	8.444	5.588	4.236	12.62	18.05	23.48	7.320	2.658	2.578	2.258	2.032	39.50
234....	11.212	8.472	5.604	4.248	12.66	18.10	23.54	7.340	2.664	2.584	2.264	2.036	39.60
235....	11.250	8.500	5.620	4.260	12.70	18.15	23.60	7.360	2.670	2.590	2.270	2.040	39.70
236....	11.288	8.528	5.636	4.272	12.74	18.20	23.66	7.380	2.676	2.596	2.276	2.044	39.80
237....	11.326	8.556	5.652	4.284	12.78	18.25	23.72	7.400	2.682	2.602	2.282	2.048	39.90
238....	11.364	8.584	5.668	4.296	12.82	18.30	23.78	7.420	2.688	2.608	2.288	2.052	40.00
239....	11.402	8.612	5.684	4.308	12.86	18.35	23.84	7.440	2.694	2.614	2.294	2.056	40.10
240....	11.440	8.640	5.700	4.320	12.90	18.40	23.90	7.460	2.700	2.620	2.300	2.060	40.20
241....	11.478	8.668	5.716	4.332	12.94	18.45	23.96	7.480	2.706	2.626	2.306	2.064	40.30
242....	11.516	8.696	5.732	4.344	12.98	18.50	24.02	7.500	2.712	2.632	2.312	2.068	40.40
243....	11.554	8.724	5.748	4.356	13.02	18.55	24.08	7.520	2.718	2.638	2.318	2.072	40.50
244....	11.592	8.752	5.764	4.368	13.06	18.60	24.14	7.540	2.724	2.644	2.324	2.076	40.60
245....	11.630	8.780	5.780	4.380	13.10	18.65	24.20	7.560	2.730	2.650	2.330	2.080	40.70
246....	11.668	8.808	5.796	4.392	13.14	18.70	24.26	7.580	2.736	2.656	2.336	2.084	40.80
247....	11.706	8.836	5.812	4.404	13.18	18.75	24.32	7.600	2.742	2.662	2.342	2.088	40.90
248....	11.744	8.864	5.828	4.416	13.22	18.80	24.38	7.620	2.748	2.668	2.348	2.092	41.00
249....	11.782	8.892	5.844	4.428	13.26	18.85	24.44	7.640	2.754	2.674	2.354	2.096	41.10
250....	11.820	8.920	5.860	4.440	13.30	18.90	24.50	7.660	2.760	2.680	2.360	2.100	41.20
251....	11.858	8.948	5.876	4.452	13.34	18.95	24.56	7.680	2.766	2.686	2.366	2.104	41.30
252....	11.896	8.976	5.892	4.464	13.38	19.00	24.62	7.700	2.772	2.692	2.372	2.108	41.40
253....	11.934	9.004	5.908	4.476	13.42	19.05	24.68	7.720	2.778	2.698	2.378	2.112	41.50
254....	11.972	9.032	5.924	4.488	13.46	19.10	24.74	7.740	2.784	2.704	2.384	2.116	41.60
255....	12.010	9.060	5.940	4.500	13.50	19.15	24.80	7.760	2.790	2.710	2.390	2.120	41.70
256....	12.048	9.088	5.956	4.512	13.54	19.20	24.86	7.780	2.796	2.716	2.396	2.124	41.80
257....	12.086	9.116	5.972	4.524	13.58	19.25	24.92	7.800	2.802	2.722	2.402	2.128	41.90
258....	12.124	9.144	5.988	4.536	13.62	19.30	24.98	7.820	2.808	2.728	2.408	2.132	42.00
259....	12.162	9.172	6.004	4.548	13.66	19.35	25.04	7.840	2.814	2.734	2.414	2.136	42.10
260....	12.200	9.200	6.020	4.560	13.70	19.40	25.10	7.860	2.820	2.740	2.420	2.140	42.20

ANNUAL REPORT OF THE CHIEF OF SUPERVISORS.

Mr. J. W. BEARDSLEY,

Consulting Engineer to the Commission, Manila, P. I.

SIR: I have the honor to submit herewith the annual report of the work done during the fiscal year ending June 30, 1904, under the direction of the provincial supervisors and supervisor-treasurers, and paid for from provincial and municipal funds and Congressional relief rice.

The following tabulation, compiled from the reports of the supervisors and supervisor-treasurers, shows in a compact form the expenditures and work accomplished:

Annual report of provincial public works, fiscal year ended June 30, 1904.

EXPENDITURES.

Province.	Native labor.		Labor other than native.	
	Days.	Cost.	Days.	Cost.
Abra.....	23,689.00	P10,328.44		
Albay.....	29,903.15	9,926.70	2,671.25	P5,661.44
Ambos Camarines.....	34,087.35	23,864.70	512.00	2,352.11
Antique.....	20,901.00	5,684.03		
Bataan.....	1,252.00	827.46	7.50	30.00
Batangas.....	174,707.50	82,836.99	358.00	1,688.79
Benguet.....		5,085.92		
Bohol.....	1,991.00	1,694.84	80.00	481.06
Bulacan.....	66,658.00	41,419.86	327.50	1,599.00
Cagayan.....	2,184.00	638.12	371.75	1,868.59
Capiz.....	56,267.17	20,071.75	947.00	3,609.67
Cavite.....	70,790.25	38,880.78	1,015.00	4,524.31
Cebu.....	159,503.00	58,596.81	1,487.00	7,014.78
Ilocos Norte.....	60,127.90	27,818.94	524.00	1,613.48
Ilocos Sur.....	36,545.40	20,621.19	291.00	1,041.66
Iloilo.....	173,956.83	71,172.89	1,139.00	4,773.13
Isabela.....	4,176.50	3,662.90	4.00	20.00
La Laguna.....	1,394.00	1,001.66	80.00	341.03
La Union.....	9,615.00	4,865.86	20.00	132.00
Lepanto-Bontoc.....	46,018.50	6,816.80	492.50	2,919.11
Leyte.....	13,939.00	10,742.21	1,113.00	4,195.98
Masbate.....	818.00	787.17		
Mindoro.....	1,372.50	1,135.80	17.00	105.00
Misamis.....	7,071.00	228.01		
Negros Occidental.....	67,574.70	30,026.77	189.50	848.09
Negros Oriental.....	4,411.00	2,281.30		
Nueva Ecija.....	48,379.45	33,878.36	112.00	527.00
Nueva Vizcaya.....	5,280.00	2,489.10	101.00	361.00
Pampanga.....	69,392.00	36,513.18	642.50	3,349.90
Pangasinan.....	45,924.00	31,353.76	1,147.50	5,604.50
Paragua.....				
Rizal.....	25,214.20	18,586.49	103.00	515.00
Romblon.....	5,056.10	3,948.62	63.00	126.00
Samar.....	15,362.30	15,086.53	243.00	981.50
Sorsogon.....	42,635.00	43,881.88	957.00	4,391.92
Surigao.....	4,041.00	2,016.07	26.00	98.50
Tarlac.....	86,500.75	69,785.21	126.00	968.93
Tayabas.....	98,926.40	55,943.43	1,545.50	8,600.43
Zambales.....	38,817.00	14,944.96		
Total.....	1,545,801.00	809,477.49	16,498.50	69,820.84

Province.	Materials.		Rents, freights, contracts, and other services not shown.		Total.
	Kind.	Cost.	Kind.	Cost.	
Abra.....	Various.....	P570.23	Various.....	P44.75	P10,943.42
Albay.....	do.....	8,592.14	do.....	1,056.72	25,210.00
Ambos Camarines.....	do.....	6,474.04	do.....	1,268.37	34,959.25
Antique.....	do.....	342.25	do.....	107.96	6,134.24
Bataan.....	do.....	97.03	do.....	721.19	1,673.98
Batangas.....	do.....	14,557.48	do.....	37,933.65	137,016.91
Benguet.....					5,085.92
Bohol.....	Various.....	429.19	Various.....	435.98	3,041.07
Bulacan.....	do.....	7,052.58	do.....	16,422.05	66,193.49
Cagayan.....	do.....	446.63	do.....	16.00	2,969.34
Capiz.....	do.....	1,375.76	do.....	873.24	26,130.42
Cavite.....	do.....	4,990.32	do.....	4,934.47	53,429.88
Cebu.....	do.....	2,978.22	do.....		68,589.81
Ilocos Norte.....	do.....	16,312.00	Various.....	13,181.26	58,925.68
Ilocos Sur.....	do.....	9,346.71			30,999.56
Iloilo.....	do.....	8,295.30	Various.....	3,098.98	87,310.40
Isabela.....	do.....	362.21	do.....	780.59	4,825.70
La Laguna.....	do.....	629.46	do.....	50.61	2,025.76
La Union.....	do.....	821.75	do.....	1,568.22	7,387.83
Lepanto-Bontoc.....	do.....	213.00			10,108.91
Leyte.....	do.....	5,696.58	Various.....	44,333.03	64,967.80
Masbate.....			do.....	17.70	804.87
Mindoro.....			do.....	14,026.35	15,267.35
Misamis.....	Various.....	197.40	do.....	52.61	478.02

^a No expenditures.

Annual report of provincial public works, fiscal year ended June 30, 1904—Continued.

EXPENDITURES—Continued.

Province.	Materials.		Rents, freights, contracts, and other services not shown.		Total.
	Kind.	Cost.	Kind.	Cost.	
Negros Occidental.	Various	P8,118.57	Various	P5,435.39	P14,428.82
Negros Oriental.	do.	1,615.32	do.	2,589.91	6,498.53
Nueva Ecija.	do.	6,904.32	do.	74.00	41,383.68
Nueva Vizcaya.	do.	36.00	do.	1,950.50	4,836.60
Pampanga.	do.	11,092.06	do.	2,019.87	52,965.01
Pangasinan.	do.	7,269.97	do.	4,232.95	48,401.18
Paraguaa.					
Rizal.	Various.	3,056.53	Various.	372.84	22,530.86
Romblon.	do.	3,918.89			7,983.51
Samar.	do.	327.29			16,395.32
Sorsogon.	do.	38,336.86	Various.	10,856.75	97,467.41
Surigao.	do.	184.50	do.	478.34	2,777.41
Tarlac.	do.	7,886.14	do.	3,004.84	81,645.12
Tayabas.	do.	2,218.61	do.	4,571.24	70,823.61
Zambales.	do.	498.13	do.	550.75	15,973.84
Total.		181,493.47		177,051.61	1,237,852.41

WORK ACCOMPLISHED.

Province.	Road constructed.		Road repaired.		Bridges and culverts constructed.		Bridges and culverts repaired.	
	Miles.	Cost.	Miles.	Cost.	No.	Cost.	No.	Cost.
Abra.	0.353		9.765	P9,147.92	28		4	
Albay.	1.750	P348.83	17.961	13,197.16	1	P216.52	4	P902.32
Ambos Camarines.			21.722	13,222.43	9	4,796.09	21	3,579.50
Antique.			20.250	4,672.12	1	1,451.48	1	10.64
Bataan.	.125	168.26	1.136	301.59	5	833.05	3	148.25
Butangas.	63.187	53,455.42	213.184	28,159.82	177	31,988.88	8	824.32
Benguet.	11.750	5,085.92						
Bohol.					3	486.28	5	405.45
Bulacan.	1.473	2,211.54	63.057	38,658.71	18	2,520.39	29	1,748.17
Cagayan.			10.750	773.67	5	101.50	2	18.59
Capiz.	2.671	947.32	20.755	17,651.66	24	2,918.09	15	3,664.67
Cavite.	17.500	2,227.61	33.564	33,152.15	17	3,863.79	25	3,277.21
Cebu.	32.314	33,408.72	94.579	30,465.06	14	1,813.37	2	100.00
Ilocos Norte.			132.700	19,204.47	1	213.88	9	3,683.77
Ilocos Sur.			20.664	14,401.84	2	2,879.14	17	4,424.00
Iloilo.	6.918	46,780.91	43.707	29,360.34	2	673.05	4	3,230.50
Isabela.			23.000	14.80	18	3,616.64	8	1,131.60
La Laguna.	.333	420.80			1	454.22	8	853.98
La Union.	.178	1,066.81	11.109	4,847.96	2	563.10	17	570.10
Lepanto-Bontoc.	14.980	4,994.95	25.510	4,717.43				
Leyte.	18.735	26,878.60	73.152	9,876.64	23	21,448.30	6	308.00
Masbate.					1	804.87		
Mindoro.	7.000	5,739.50	2.000	136.50				
Misamis.	.500	121.31	1.488	128.70	1	228.01		
Negros Occidental.	14.212	18,127.17	24.532	12,868.19	11	7,375.84	2	33.80
Negros Oriental.			1.833	1,272.00	2	847.94	12	1,183.52
Nueva Ecija.	6.926	17,963.56	48.038	11,198.70	20	2,984.41	21	2,081.70
Nueva Vizcaya.			21.000	3,504.60	11			
Pampanga.	4.989	20,686.82	18.136	19,026.23	8	3,980.22	45	7,020.09
Pangasinan.	6.860	19,269.29	40.910	9,059.27	82	6,751.92	141	2,828.36
Paraguaa.								
Rizal.			75.613	20,817.68	5	71.59	20	285.15
Romblon.			6.333	1,257.36				
Samar.	2.022	1,208.50	22.509	9,577.31	5	2,691.45		
Sorsogon.	7.043	18,713.97	3.043	14,752.44	40	15,861.04	3	523.54
Surigao.	.850	719.74	11.000	592.81				
Tarlac.	15.967	27,559.80	199.500	30,588.37	31	3,488.28	11	503.80
Tayabas.	13.292	10,348.95	128.015	59,202.90	11	1,965.23	9	1,161.94
Zambales.	.807	789.35	222.000	13,141.23	3	570.53	6	36.80
Total.	252.735	319,127.65	1,662.563	469,930.06	582	128,330.10	458	43,939.86

a No expenditures.

b No work accomplished.

Annual report of provincial public works, fiscal year ended June 30, 1904—Continued.

WORK ACCOMPLISHED—Continued.

Province.	Buildings constructed.		Buildings repaired.		Surveys.		Cost of equip-ment.	Cost of miscel-laneous.	Total.
	No.	Cost.	No.	Cost.	No.	Cost.			
Abra			9	1,795.50					P 10,943.42
Albay	3	1,850.69	8	1,309.32	5	1,039.80	4,374.20	1,101.16	25,210.00
Ambos Camarines	23	4,847.96	5	3,957.61			1,872.63	1,683.03	34,959.25
Antique			1						6,134.24
Batuan			2	224.83					1,675.98
Batangas	53	11,466.32					2,877.16	8,244.99	137,016.91
Benguet									5,085.92
Bohol			2	2,016.34			133.00		3,041.07
Bulacan	4	19,326.27	1	759.32	1	1.50	272.62	994.97	66,493.49
Cagayan	2	130.00	3	885.25	5	60.00	483.88	516.45	2,969.34
Capiz			2				255.85	692.83	26,130.42
Cavite			1	1,159.34			4,490.20	5,159.58	53,329.88
Cebu	22	792.00	1	1,018.44			105.00	866.22	68,589.81
Ilocos Norte	24	10,312.82	6	9,522.48	1	65.50	13,313.84	3,208.92	58,925.68
Ilocos Sur	1	5,881.86	2	3,412.72					30,999.56
Iloilo			6	315.45			1,702.00	5,278.05	87,340.30
Isabela								62.66	4,825.70
La Laguna			1	69.57			227.19		2,025.76
La Union			2	313.10			146.76		7,387.83
Lepanto-Bontoc			2	296.53					10,008.91
Leyte			2	998.00	4		4,019.82	1,438.44	61,967.80
Masbate									844.87
Mindoro	6	5,382.84	2	97.75				3,910.76	15,267.35
Misamis									478.02
Negros Occidental	1	564.34	2	1,858.61			579.13	3,021.44	44,428.82
Negros Oriental	3	1,749.58	6	1,210.05				235.44	6,498.53
Nueva Ecija			6	174.78			1,979.99	5,000.54	41,383.68
Nueva Vizcaya	2	1,287.00	1	36.00				9.00	4,846.60
Pampanga	1	125.89	2	1,060.28	1	19.00	1,046.18		52,965.01
Pangasinan	1	367.33	2	2,571.86	9	3,838.42	2,477.07	1,407.66	48,491.18
Paragua									
Rizal							70.20	1,286.21	22,530.86
Romblon			2	5,112.33				1,623.82	7,993.51
Samar			4	1,000.79	1	344.55	248.50	1,114.22	16,395.32
Sorsogon			2	2,080.84			31,404.72	14,130.86	97,467.41
Surigao			14	928.11				536.75	2,777.41
Tarlac	1	16,292.83	2	486.49			1,229.88	1,495.58	81,645.12
Tayabas	1	1,747.75	11	3,357.59	2	38.85	1,628.55	1,371.85	70,824.61
Zambales								1,431.93	15,973.84
Total	148	82,125.48	115	48,029.58	29	5,307.62	74,938.67	66,123.39	1,237,852.41

a No work accomplished.

EXPLANATIONS TO HEADINGS USED IN ABOVE TABULATION.

NATIVE LABOR.

This includes practically all of the unskilled and a large part of the skilled labor employed on the various provincial works.

Though not physically capable of performing the amount of work usually expected of laborers in the United States, the Filipino here in his own country renders full value for the wages received, and is the most satisfactory labor that we can obtain.

Though unaccustomed to modern implements, yet when placed under competent foremen, he quickly becomes proficient in their use.

If he becomes dissatisfied he quits and goes home. He makes no effort to hinder the progress of the work, nor to induce others to leave.

The average daily wage paid laborers on road work varies according to the locality and the season, generally being higher in the hemp provinces than in those which produce principally sugar and rice. The Igorrotes work from P 0.10 to P 0.20 per day. In Albay as high as P 1.50 per day has been paid for native labor.

There are few good carpenters found among the natives; they make fair masons, some of them make good foremen, but, generally speaking, they have not had enough experience and are not familiar with modern methods.

[Extracts from annual reports relative to native labor.]

"I have had no occasion to use any labor other than native, except Japanese. I find that for unskilled labor the labor of the country is decidedly the best. On road work the native does fully as much and as good work as the Japanese, is more easily managed, has better

health, and costs about half as much. Carpenters, masons, harness makers, blacksmiths, etc., must be imported, because there are a very few in the province, the young Filipino of the middle class generally believing the work of a mechanic at ₱5 or ₱6 per day less dignified or less honorable than that of the clerk at ₱25 per month."—*Supervisor of Albay*.

"As a whole the laborers can be considered satisfactory, if properly managed, but it is very difficult to secure competent foremen."—*Supervisor of Bulacan*.

"It is my intention to use Filipinos exclusively for road work. I believe them to be more capable as foremen than the average American, who can be hired at \$75 per month or less."—*Acting supervisor of Rizal*.

LABOR OTHER THAN NATIVE.

On account of the difficulty of securing among the natives men duly qualified to take charge of public works, most of the foremen, blacksmiths, and bridge carpenters at present employed are Americans, Spaniards, or other Europeans. Their wages vary from ₱5 to ₱10 per day; also for fine carpenter work Chinese are frequently employed at from ₱2 to ₱5 per day. Less difficulty is experienced in finding foremen who are hard workers than in finding those with patience to properly train the natives.

MATERIALS.

Lumber.—In 1901 Oregon pine was generally used on all works of magnitude; the tendency now is to use native timber. The Oregon pine does not last well in this climate and is besides subject to attacks by white ants. In most of the provinces a great variety of good native timber can be secured at fair prices, but the difficulty of transporting it renders its delivery so uncertain that often American and Australian woods are used.

Road metal.—In the mountainous sections of all the islands are found good materials for road construction, especially in those provinces near volcanos. Volcanic bowlders when crushed make good road metal and concrete. The coral limestone found near the seacoast makes a superior lime when burned, but is rather soft material for road metal. "Adobe" makes a good smooth road, but also wears easily. River gravel is probably most used for road metal. In some localities are varieties of hard clay which makes a good road, and in Albay there are roads constructed of a hard, black sand, which gives a good wearing surface. In some of the islands are found deposits of broken shell, which makes a fine surfacing material. In most of the flat country north of Manila road material is very scarce and often has to be hauled long distances either by rail, cart, or boat.

RENTS, FREIGHTS, CONTRACTS, AND OTHER SERVICES NOT SHOWN.

Under this heading are shown all those items of expense incurred in prosecuting public works, which do not come under the first three headings.

Native contractors generally are able to furnish gravel, bamboo, lime, etc., in small quantities. During the last year there was a notable increase in the amount of work done by contract, the principal contractors being Americans. The money paid out to contractors forms, however, a very small part of the total expenditure.

ROADS CONSTRUCTED.

Under this heading are included roads the repair of which is equivalent to the construction of a new road. The following are the principal types:

1. Dirt roads, which are simply ditched and graded, and sometimes rolled;
2. Metalled roads, which are dirt roads surfaced with gravel, broken stone, or crushed shells;
3. "Adobe" roads, similar to dirt roads, except constructed through "adobe" soil;
4. Coral roads, constructed of coral stone and surfaced with broken coral, gravel, or sand;
5. Sand roads, i. e., dirt roads surfaced with sand;
6. Roads through swamps; and,
7. Trails 2 meters wide constructed through the mountainous regions of Benguet and Lepanto-Bontoc.

[Extracts from annual reports relative to road construction.]

Hagonoy road.—"This road runs through a very fertile part of the province connecting the towns of Malolos and Hagonoy, and is about 4½ miles long. Its entire length is on an embankment, in some places 10 feet above the surrounding country, this height being necessary on account of the annual flooding of the entire country through which this road runs. During the last heavy rains even this height has proven inadequate and parts of this road were under water.

"Nearly all material had to be hauled with bancas from the dikes used to separate the rice fields. The embankment was packed partly by the rains that fell last year, and partly by rolling; and finally a layer of first-class gravel from 7 inches to 12 inches deep was put on in thin layers and rolled. This has made a very good road out of a trail formerly passable during part of the dry season, and then only under difficulties."—*Supervisor of Bulacan.*

Mantandang-Naujan road.—"The road was located through a swamp for 3,500 feet. A space 32 feet wide was cleared of all stumps and underbrush. Most of the work was done by men working up to their waists in water. Then two ditches 24 inches wide and varying from 8 inches to 3 feet in depth were dug parallel to the direction of the road and at a distance of 4 feet on either side of it. The dirt from the ditches was thrown into the 8-foot space between ditches. The road bed had to be raised 5 feet; this was done by hauling stone and piles 15 miles in bancas. Fifty men with bolos cut 10,000 piles in six days. The piles were of the following dimensions, viz, 5 feet, 6 feet, and 8 feet long, and from 4 inches to 7 inches in diameter. The wood was a swamp timber, very easy to cut, when green, but very hard when seasoned. Piles of this wood were examined which after thirty years' service in salt water were found to be perfectly sound. Along each side of the 24-inch ditches the pile were driven as close as possible and in such a manner that they stood up above the top of the ditch from 1½ feet to 4½ feet. The piles in the outer row were inclined inward at an angle of 45 degrees. They were driven 3 feet into the bottom of the ditches, and were then wired together in the rows with No. 9 galvanized wire so that each line of piles became practically solid, and the two lines were firmly fastened together at the top in the same manner. The 24-inch ditches were then filled with stones and well tamped. Then the earth in the 8-foot space was leveled off and a thin layer of stones placed over the entire road, after which corduroy timbers were laid and wired together, and the ends fastened in like manner to the piles along the side of the ditches which were at the ends of the corduroy.

"Then 8-foot canals were begun on the outside of the 32-foot space and gradually widened until they were 12 feet wide at the river end and, on an average, from 2 to 6 feet wide at the bottom and so sloped as to permit the water to drain off. All the earth which came out of these ditches was placed on the road in layers alternating with layers of stone. On completion the roadbed measured 12 feet, with a gentle slope to the canals on either side. It was then crowned with a layer of gravel hauled 15 miles in bancas, and the slopes were planted with swamp grass and shrubs, which took root and grew nicely. All the earth was handled by shovels.

"The entire distance was completed in thirty-five days, at a cost of ₱5,500."—*Supervisor-treasurer, Mindoro.*

ROADS REPAIRED.

The nature of the repairs varied from cleaning grass and underbrush from abandoned roads to the reconstruction and metaling of others.

To the latter class belong the road between Vigan and Pandan, 4.664 miles long, regraded and metaled at a cost of ₱8,233.76, and the road between Laoag and Curriniao, 17 miles long, where 2.10 miles were reconstructed and metaled at a cost of ₱7,976.97. Occasionally it costs more to repair an old road than it would to construct a new one of equal length.

BRIDGES AND CULVERTS CONSTRUCTED.

The bridges constructed are of the following types, viz, Howe, Queen Post and King Post trusses, and pile trestles, timber girders, and arches of stone and concrete. Some of the latter are reinforced with steel ribs. The permanent culverts consist of stone and concrete arches. Those of a temporary nature are constructed of timber or bamboo.

Many substantial and ornamental stone and concrete arches were constructed, especially in the provinces of Batangas, Leyte, and Sorsogon. In Batangas the "Gogo" 10-meter stone arch and the "Sabang" 20-meter stone arch are now under construction. In Leyte the San Joaquin trestle bridge, 266 by 20 feet, was constructed of the best native lumber at a cost of ₱9,298.96.

[Extracts from annual reports relative to bridges and culverts.]

Hagonoy drawbridge.—"The Hagonoy drawbridge, now under construction, consists of a circular center pier 14 feet in diameter, resting well below the river bottom on a foundation of 25 wooden piles 30 feet long and cut off below water level, and 12 concrete piles 30 feet long extending into the pier. The pier consists of a thin sheet-iron shell filled with gravel concrete (1 cement, 2 sand, 4 washed gravel). The weight of the pier is estimated to be 90 tons. On this pier rests a small turntable, purchased from the Manila and Dagupan Railway Company, and a cast-iron rack cast in Manila. The turntable is rim bearing and the rollers run on a circular rail partly embedded in concrete. 'Yacal' beams were used to properly strengthen the top of the turntable to sustain the estimated weight of

the draw span, which is 100 feet long between end bearings, and estimated to weigh, unloaded, 25 tons (500 pounds per linear foot).

"The ends of the draw span will rest on cast-iron rollers, which, running up a slight incline on the timber approach pier, will give the necessary end-lifting effect. The approaches to the draw span are on five 3-pile trestles, well braced, and 60 feet long each. The approaches have a 4 per cent grade to save embankment and still allow small crafts to pass under the closed draw span. All piles are to be incased in concrete to above the high-water line, to prevent attacks of the teredo, which occasionally is found in the vicinity of this bridge. The lumber used is Oregon pine, except the loading beams, keys, and turntable strengthening, which are of yacal. All timber is to be painted with carbolineum, which has proven to be an effective preventive against white ants.

"The turning device for this bridge consists of a rack 13 feet 6 inches in diameter, 2-inch pitch and 4 inches high, which engages a pinion connected to a horizontal gear by a vertical shaft. The pinion of this gear has a squared shaft on which fits a key, which, if worked with a lever, enables one man to move the bridge. The locking device is simple and was secured with the turntable. Suitable arrangements will be made to close the approaches, to prevent accidents, when the bridge is open.

"The total cost of this bridge, when completed, will be ₱14,000; ₱10,500 of this was appropriated by the municipal council, which put the planning and building of this bridge entirely under my supervision."—*Supervisor, Bulacan.*

"The most important and largest of the bridges is the one across the Ogod River at Donsol. Two concrete abutments and five concrete piers support six timber spans of five panels each. The total length of the bridge between abutments is 85 meters. The abutments and piers rest on rock foundation and the wooden superstructure is of the best native lumber. An interesting point about this bridge is that it was constructed almost entirely by hand labor; the stone was broken by hand and the lumber sawed by hand. Part of the cement was rolled 3 miles from Donsol, because no other means of transportation was available. A constabulary guard was necessary part of the time to protect laborers from ladrones, who were active at that time. Total cost of bridges was ₱14,692.26."—*Supervisor, Sorsogon.*

BRIDGES AND CULVERTS REPAIRED.

The nature of the repairs varied from placing a new plank or a bamboo mat on a bridge to render same passable, to remodeling and reconstructing bridges of importance.

BUILDINGS CONSTRUCTED.

This includes the construction of all provincial buildings, schoolhouses, and municipal buildings of which the supervisor had charge, regardless of the sources of funds providing for such construction.

Among the most important buildings constructed during the past year under the direction of the supervisors are the following: Secondary schoolhouse at Tarlac, municipal school building at Malolos, municipal market at Malolos, provincial secondary school at Laoag, and the new provincial building at Malolos, and various barrio schoolhouses built throughout the islands, generally constructed of bamboo and nipa.

[Extracts from annual reports relative to buildings constructed.]

New provincial building at Malolos.—"The original plans for this building were selected from competitive designs submitted. These plans were changed considerably after acceptance and finally the contract was let for ₱36,075. The structure is built of Oregon pine, excepting the floor, and rests on a stone foundation, 132 by 117 feet, 5 feet high. The floor is to be of yacal and guijo laid alternately. The building is one story high and has a veranda roof supported on the outside by ornamental hard-wood posts, a row of which surrounds the building.

"Two inner courts provide light and air for the corridors inside. The office ceilings are 16 feet 6 inches high, and there is plenty of room for any enlargement anticipated during the next few years. The roof is of corrugated iron and has a decorative ventilator tower.

"The framing is a combination of American and native practice, some of the posts running into the ground (these are spliced at their lower ends to molave); others are mortised into a sill bolted to the foundation. All connections of the trusses are bolted.

"Partitions have 2 by 4 inch studding and are sheathed on both sides, offering great lateral resistance, which is almost totally lacking in the native construction.

"All plumbing will be modern and the building will be lighted by electricity and be supplied with electric fans.

"For this purpose a contract, at ₱6,313.90, was awarded by this office for the installing of a small electric-light plant."—*Supervisor, Bulacan.*

Calapan and Luban school buildings.—"Calapan and Luban schools are built of the native lumber, shell windows, galvanized-iron roofs, painted white, and are 60 feet long, 25 feet wide, and the rooms are 15 feet high.

"In each case the materials were donated by the people and labor paid for by the province."—*Supervisor-treasurer, Mindoro.*

BUILDINGS REPAIRED.

Most of the provincial offices have been repaired, in some cases necessitating extensive improvements to both buildings and grounds. Several vaults were constructed for the provincial treasuries.

SURVEYS.

These consist of surveys, plans, and profiles of proposed roads, including cost of supervisor's temporary employees, and surveys and plans of municipalities (by contract), the average price paid for the survey of a municipality being from ₱ 450 to ₱ 500.

EQUIPMENT.

On account of scarcity of draft animals in the provinces, several of the supervisors, in order to successfully prosecute the various public works under their charge, have been compelled to buy from provincial funds such draft animals as were needed. The plants have been increased by the addition, from time to time, of various tools, implements, scrapers, carts, wagons, road rollers, tramways, traction engines, and rock crushers.

MISCELLANEOUS.

Under this heading are embraced all kinds of public work done under the supervisor's direction and not shown under the other headings, embracing such items as cost of handling Congressional relief rice, cost of constructing and operating provincial pounds, cost of reading river gauges, construction of levees, clearing channels of rivers for navigation, construction of piers, telephone and cable lines, building retaining walls to protect river banks and foot of fills, testing for water supply, transportation of road and bridge supplies, and other miscellaneous expenses.

At Romblon a pier 55 by 25 feet was constructed of hardwood, resting on piles sunk into coral rock, cost ₱ 1,623.82.

A submarine cable was laid between Virac and Tabaco by the provincial government of Albay cost ₱ 1,101.50.

[Extracts from annual reports relative to miscellaneous work.]

Cagayan River improvement.—"Considerable work has been done at Afusing, which is about 3 miles up the Cagayan River from Alcala. Large trees have been filling in the channel year after year, being undermined by the river, which cuts back at the rate of about 50 feet per year at this point. Dynamite was freely used in the work to blow out or loosen up the stumps, they then being pulled out by block and tackle. The river channel is now clear."—*Supervisor, Cagayan.*

Protection from river encroachment.—"To keep the banks of the Rio Grande in Nueva Ecija from washing away, three-fourths of a mile was protected by lines of stakes, back of which rows of young trees were planted; cost, ₱ 478.50."—*Supervisor, Nueva Ecija.*

"Probably the most important work done during the year was the construction of levees along the western bank of the Rio Grande de la Pampanga at certain points.

"At Mandasig the old levee was entirely washed away, leaving a gap 900 feet long and 20 feet deep in the center; besides 700 feet of levee on the extremities of this gap were very low. Work was started May 2 and completed May 19; the average number of men employed each day was 450, with 25 carabaos. The total amount of money expended by the province at this point was ₱ 1,399.60. The property owners and citizens of the affected towns donated ₱ 786.10, which was expended by the provincial governor as their agent, making a total cost of this work ₱ 2,185.70. The newly constructed levee is 12 feet wide on top; side slopes were one and one-half to one; the average height of fill was 8 feet, for a total length of 535 yards of new levee completed. The new levee was protected from the river current by seven rows of bamboo lattice-work 2 feet apart, firmly anchored in the ground and well braced at the top. The space between these bamboo fences was filled with earth and well tamped; the dirt behind the fences was packed in irregular layers by rolling with a 3-ton road roller drawn by six carabaos. American plows and drag scrapers were also used with carabaos. The length of the new levee completed in this manner at Mandasig, Lanang, Pansino, San Juan, San Pedro, and other points was 2.102 miles. The cost to the province of this work was ₱ 6,456.12.

"Due to the closing of these gaps or breaks in the old levee, the towns in the affected district will enjoy increased crops this year and hereafter as long as the floods are prevented. The provincial governor and various municipal officials and landowners, whom I have consulted, estimate the annual gain to be from ₱400,000 to ₱900,000.

"The municipal officials and property owners of the above-mentioned pueblos deserve much credit for their active interest in the work and for their willingness to aid the province with money, bamboo, carabaos, etc., whenever called upon to do so."—*Supervisor, Pampanga.*

The following list shows the respective official positions authorized in each province for the supervision of public works, the number of the act creating same, the maximum salary authorized, the name of the present incumbent, and the date of his appointment:

Province.	Act.	Office.	Salary.	Incumbent.	Date of appointment.
Abra.....	629	Supervisor-treasurer	\$1,500	Archibald D. McFarland	Sept. 9, 1903
Albay.....	122	Supervisor.....	2,000	W. A. Crossland.....	Aug. 1, 1903
Ambos Camarines	123	do.....	2,000	E. P. Shuman.....	Aug. 10, 1903
Antique.....	628	Supervisor-treasurer	1,800	P. J. Van der Broeck.....	July 1, 1904
Bataan.....	823	do.....	1,800	E. R. Yundt.....	Aug. 15, 1903
Batangas.....	126	Supervisor.....	2,000	E. J. Westerhouse.....	Oct. 15, 1903
Benguet.....	49	Governor.....	1,500	W. C. Pack.....	
Bohol.....	872	Supervisor-treasurer	1,600	C. D. Upington.....	Sept. 8, 1903
Bulacan.....	88	Supervisor.....	1,700	(Vacant.)	
Cagayan.....	209	do.....	1,700	W. E. Pearson.....	Apr. 1, 1903
Capiz.....	631	Supervisor-treasurer	2,000	F. S. Chapman.....	Aug. 4, 1903
Cavite.....	138	Supervisor.....	1,800	E. O. Worrick.....	Apr. 30, 1904
Cebu.....	116	do.....	2,500	T. W. Allen.....	July 16, 1904
Ilocos Norte.....	207	do.....	1,700	(Vacant.)	
Ilocos Sur.....	205	do.....	1,700	J. F. Hawley.....	June 18, 1903
Iloilo.....	113	do.....	2,200	M. W. Tuttle.....	Oct. 20, 1903
Isabela.....	633	Supervisor-treasurer	2,200	B. F. Reamy.....	July 1, 1904
La Laguna.....	424	Supervisor.....	1,800	D. A. Sherley.....	Feb. 1, 1903
La Union.....	203	do.....	1,700	B. H. Burrell.....	Aug. 4, 1903
Lepanto-Bontoc.....	410	do.....	1,500	Sam'l. E. Kane.....	Mar. 5, 1904
Leyte.....	122	do.....	2,000	O. D. Filley.....	Nov. 13, 1903
Masbate.....	1,069	Supervisor-treasurer	1,200	J. W. Hunter.....	June 14, 1904
Mindoro.....	500	do.....	2,250	Wm. O. Smith, first lieutenant, U. S. Army.	Mar. 28, 1904
Misamis.....	630	do.....	2,200	John Hazley.....	July 16, 1904
Moro.....	787	Engineer.....	a 4,000	Chas. Keller, captain, U. S. Army.	
Nueva Ecija.....	139	Supervisor.....	1,600	C. D. Weed.....	Aug. 16, 1903
Nueva Vizcaya.....	337	do.....	1,300	Wm. H. Nipps.....	July 3, 1903
Occidental Negros.....	119	do.....	2,300	H. M. Wood.....	Nov. 1, 1903
Pampanga.....	766	Supervisor-treasurer	2,000	H. A. Peed.....	June 28, 1901
Pangasinan.....	85	Supervisor.....	1,800	S. V. Cortelyou.....	Feb. 4, 1904
Pangasinan.....	86	do.....	2,000	C. F. Vance.....	Feb. 1, 1903
Paragua.....	422	do.....	1,200	(Vacant.)	
Rizal.....	137	do.....	1,800	T. Hodgson.....	Oct. 27, 1902
Romblon.....	901	Supervisor-treasurer	1,500	Julius S. Reis.....	Sept. 24, 1903
Samar.....	419	Supervisor.....	1,400	R. E. Scott.....	Nov. 7, 1903
Sorsogon.....	124	do.....	1,700	H. L. Stevens.....	Oct. 16, 1903
Surigao.....	815	Supervisor-treasurer	2,300	A. Benedict.....	June 15, 1904
Tarlac.....	87	Supervisor.....	1,500	S. C. Phillips.....	Feb. 1, 1903
Tayabas.....	499	do.....	2,000	H. L. Humphrey.....	Do.
Zambales.....	632	Supervisor-treasurer	1,800	J. W. Ferrier.....	Mar. 4, 1904

a Not to exceed \$4,000.

The following general subjects have received considerable attention from the provincial supervisors:

CARABAOS PURCHASED FROM THE CONGRESSIONAL RELIEF FUND.

The receiving of the carabaos from the insular purchasing agent, preparing suitable corrals and stockades for their reception and protection, making arrangements for feeding and pasturing same, arranging for their sale to the inhabitants, securing the necessary affidavits and certificates for such as died, and the extra correspondence occasioned on account of these animals, caused the supervisors a great deal of extra and unsatisfactory work. In case of future sales of draft animals it would seem better to allow the insular purchasing agent to sell to the inhabitants direct.

THE DESTRUCTION OF LOCUSTS, EXPENSES PAYABLE FROM CONGRESSIONAL RELIEF RICE.

Act 817 requiring all inhabitants of the Philippine Islands to aid in the destruction of locusts, and providing that a ration of rice should be issued to those not able to ration themselves, would have worked great hardship on the majority of the people, provided

the rice had not been on hand for prompt issue. In order to do this effectually, the supervisors made every effort to distribute the rice received from Manila, purchased in accordance with the provisions of Act 797, so that each municipality or barrio of importance, infested with locusts, would have a stock on hand sufficient to feed the people while engaged in destroying the pest.

The immediate effect of this distribution was to cause great activity, and the presidents of the infested municipalities reported one after another that there were no more locusts in their respective jurisdictions.

They were, however, ignorant and careless in making out their vouchers, and the bulk of the pay rolls and other accounts necessary to account for this expenditure had to be made out in the office of the supervisor. As a result, the increase in the work of the supervisor's office, by adding thereto the office work of 20 or 30 municipal offices, caused often a complete stagnation, and even now, though it is nearly a year since the locusts disappeared, many of the supervisors have not accounted for the locust rice expended under their direction.

CONGRESSIONAL RELIEF RICE FOR PUBLIC WORKS.

The sending to the different provinces by the insular government of large consignments of Congressional relief rice to be used in relieving distress by giving the inhabitants employment on public works undoubtedly enabled the supervisors to make a much better showing than they otherwise could have done. But there are many objections to this use of rice as compared with money. It is bulky and hard to transport, especially to inland towns. Every time it is handled there is a certain per cent wasted. Great care must be taken in its storage, and even then after two or three months it begins to spoil.

It is difficult to find intelligent men to place in charge of its proper distribution. Laborers prefer money, and when obliged to accept rice they demanded more. Sometimes the wages paid in rice amounted to double what they were accustomed to receive in money. On resuming cash payments they demand money equivalent to the value of rice received. Hence its use tends to demoralize and unsettle the labor conditions. The loss through wastage in transportation, ravages by worms, bugs, and rats, and by mold and decay amounts to fully 10 per cent of the original amount, and in some cases more.

When the various sources of loss are taken into consideration, and also the higher wages paid, it is believed that the use of rice in paying for public works increases the cost of same nearly 50 per cent over what the same work would have cost were payments made in cash.

PROVINCIAL POUND.

The operation of the pound law caused the supervisor a good deal of extra work of very much the same nature as was occasioned through handling the insular carabaos.

The law states that the supervisor is to receive and receipt for such animals or other property as may be delivered to him, and to keep the same for thirty days, unless the owner previously establishes his title, and then to sell them at auction, all costs of maintenance to be deducted from the proceeds of sales, and the remainder to be turned into the provincial treasury.

In a province where ladrones are plentiful, as Cavite, a strict interpretation of the law would mean that the supervisor would have to be at the pound every day to receive animals and to sell those captured thirty days previously. In case an animal died, or did not bring when sold enough to cover cost of keeping, there was no arrangement whereby the supervisor could be reimbursed for cost of keeping. If the supervisor kept the animals longer than thirty days, hoping to realize better prices, he would have to pay for the excess days out of his own pocket. This office finally brought the matter to the auditor's attention, and his interpretation of the law allowed the supervisor considerable discretion, and secured him against the probability of the losses referred to.

PROVINCIAL BOARD OF EXAMINERS FOR THE CIVIL SERVICE.

The members of the provincial board should be relieved from this duty, which takes up considerable time, and for which they are not specially qualified. The civil service board should provide a sufficient number of traveling examiners to properly carry out these examinations.

ROAD MAINTENANCE.

Complaints regarding the violations of the road laws have been made by many supervisors. These violations consist principally of the encroachment of houses on the public roads, stealing of road materials, bridge timbers, etc., and the destruction of roadways by carabaos, irrigating ditches, etc. Proposed laws remedying these defects are under consideration by this office, and will be submitted in the near future.

WIDE-TIRED CARTS.

Act No. 774 of the Commission, which was intended to bring wide-tired carts into general use by prohibiting narrow tires on improved roads has, so far, fallen short of the desired end. The reason is obvious. Native carts, such as are generally used, are produced very cheaply. In some of the provinces a cart complete will cost only P 20, or even less. The lowest price wide-tired cart furnished by the insular purchasing agent costs P 45. To overcome this difficulty, this office has prepared and distributed to the various supervisors and supervisor-treasurers, blue-prints of a standard type of cart, hoping that the native wheelwrights might be induced to manufacture wide-tired instead of the present narrow-tired carts. It is understood that in at least three of the provinces this is now being done, while in another the narrow fellows are broadened to receive a wider tire.

MONTHLY REPORTS OF SUPERVISORS.

The reports of the supervisors first submitted to this office were of very little value from a statistical point of view, on account of the scant information conveyed regarding the nature of the work reported, its location, and cost. This difficulty has been overcome, and the reports now received are, with few exceptions, satisfactory.

GENERAL INSTRUCTIONS TO SUPERVISORS.

The chief of supervisors, in all his correspondence with the various supervisors and in personal interviews, has endeavored to impress upon them the following ideas:

(a) *Road maps.*—That there should be in each office some system of showing the actual conditions of the provincial roads, whether by maps or by notes.

(b) *Scheme of road improvements.*—That the provincial boards, after consultation with the supervisor, should decide on what roads are to be improved or constructed, and this scheme should be adhered to.

(c) *Value of roads in developing agricultural resources.*—In view of the fact that agriculture is the principal source of wealth in the Philippines, and realizing that often large pecuniary losses are suffered by the producers through inability to market their crops at propitious seasons on account of impassable roads, it has been forcibly presented to the supervisors that those roads should be first repaired that afford an outlet to the products of the country.

Especially in those provinces producing sugar is the need of good roads apparent. We have been informed by reliable dealers that the highest prices are obtained for sugar that is marketed in the months of September, October, November, and December, and frequently it so happens that at this season of the year the interior roads are impassable, the sugar can not be gotten to the coast, and by the time the roads are dried out the price has fallen, in some cases, to about half what it was in the months first mentioned. The writer is aware of nearly 100,000 piculs of sugar (in one municipality) valued in December at P 500,000 that on account of bad roads could not be sold until April, and the price then received was about P 260,000, a difference between the value of the sugar in December and April of P 240,000.

(d) *Road maintenance.*—That the question of road maintenance is one of great importance, and to which very little attention so far has been paid, and that some system should be put into operation at once. Any system of proposed road maintenance, to be effective, must be carried out either in conjunction with the provincial supervisor or by the municipal authorities acting alone. Local pride must be stimulated to have good local roads.

(e) *Standard designs of roads and bridges.*—That roads and bridges of a permanent character should be constructed.

(f) *Provincial buildings.*—In several of the provinces (Rizal, Masbate, Sorsogon, and Occidental Negros, for example) the provincial governments have no office buildings, and private buildings are used for this purpose and for which high rents are paid. The supervisors of these provinces have been instructed to do all in their power to secure the construction or purchase of suitable buildings for this purpose.

(g) *Prison labor.*—To make the best use possible of prison labor. In some provinces the use of prison labor has given satisfactory results.

The following extract from the annual report of supervisor of Sorsogon shows the method adopted with satisfactory results:

"On December 15, 1903, at the request of the provincial supervisor, the provincial board passed an act requiring all prisoners available for work to be employed in regular labor on the public works of the province, under the direction of the supervisor. The supervisor was empowered to employ an American foreman and the necessary guards. This foreman, when placed in charge of prison labor, was made jailer in addition to his other duties, and the supervisor, through the jailer, took charge of the feeding of prisoners and the maintenance of the jail. Several changes were introduced and expenses were cut down until,

estimating prison labor at prevailing prices, the jail has become nearly self-supporting. The prisoners are employed on various pieces of work, the main work being the construction of 600 feet of retaining wall along the bay front. They also unload provincial supplies from the steamers, assist the carpenters and blacksmith at work in the mule corral, do janitor work and many other kinds of labor for which the province would otherwise be compelled to pay."

(h) *Cooperation with native officials.*—The necessity of cooperating with the native officials in prosecuting their various works and to get them interested in public improvements has been suggested. The fact that so many municipalities have placed their public works under the charge of the supervisors proves the desirability of this plan. Excellent results were obtained in Sorsogon Province, and the methods used there might be well copied by other progressive provinces, viz, the province has a large and well-equipped plant for road construction, and there is an arrangement between the provincial board and the different municipal boards whereby the province furnishes the plant for road construction within the municipal boundaries and pays cost of maintaining same, the remainder of the expenses, such as hiring laborers, buying materials, etc., being paid for out of the municipal funds. The advantages resulting from such a system are three-fold. First, instead of the province wasting ₱12,000 in keeping up a large plant, as at first appears, the road and bridge fund was increased by over ₱40,000 (municipal funds) which otherwise would have been expended in insignificant repairs, carried out under the supervision of unskilled *presidentes* and councilmen. Second, the municipalities get much better results for their money. Third, the province has the use of a well-trained body of foremen, teamsters, hostlers, time-keepers, and blacksmiths.

The advantage in moving this trained force around from place to place to prosecute different works instead of having to organize afresh for each separate piece (and often where suitable men can not be gotten) is apparent, not only in time saved, but in the actual cost of the work.

(i) *Irrigation, water power, navigation of rivers, municipal maps.*—Investigations on the possibilities of irrigation, the utilization of water power from mountain streams, the feasibility of opening rivers to navigation, and other problems having for their object the development of the resources of the province and the betterment of the condition of the inhabitants have been suggested. The necessity of securing accurate maps of the province and of the municipalities therein, having a scale large enough to permit of all the landed property of the municipality being indicated thereon has been suggested.

PROPOSED ROAD LAW.

The necessity for the improvement of existing roads and for the construction of new ones is evident to all. The Spanish roads generally are well laid out and formerly were kept in repair by a system of compulsory labor. At first forty days' labor was required every year, from each person; as the roads improved this was reduced to fifteen days' labor per annum. The system was much abused and was finally abolished by the Spanish Government, but undoubtedly, in spite of the abuses, much important work was accomplished while said law continued in effect. At present, in the province of Occidental Negros, where 75,000 *cédulas* are sold each year, the road tax amounts to less than ₱20,000 per annum. This amount, estimating a laborer's daily wage at ₱0.40, is equivalent to the hire of 50,000 laborers for one day. Under the old law of "*prestación personal*" each of the 75,000 men who bought *cédulas* would have to labor 15 days on the roads, so the province would be entitled to one day's labor from 1,125,000 men.

It appears that the only method whereby the roads can be properly repaired and maintained is to enact a law requiring every able-bodied male inhabitant to labor at least five days on the roads or to pay into the provincial treasury a cash equivalent, under regulations similar to those existing in the United States. Because this service was misused under the former régime is no reason it will be abused now. The strict and impartial administering of justice by the present government ought to settle any question in the minds of the doubtful as to whether there will be any abuse of the road tax in case the Commission should pass this law.

The old law was odious on account of its numerous abuses, and the extensive personnel required to operate it. The Spanish law was used as a wrench to squeeze the last cent from a man, by threatening to send him a long way from home to work out his road tax. Instead of being used to improve the highways as intended, it was in reality used to fill the pockets of a lot of corrupt officials, from the governor down to the capitán municipal and the *cabeza de parangay*.

From the information received it is believed that such a law would be acceptable in several provinces, and it is suggested that at first the proposed law be made effective only in those provinces expressing a desire to enforce it.

DUTIES OF SUPERVISORS.

The supervisor's duties are at present so many and so varied that he has little time left for professional work. He is required to give immediate supervision to all construction and engineering work in the province; he is the property clerk for the province. The supervisor must, in addition to these duties be a member of the provincial board, the board of health, the board of land-tax appeals, and the revision boards.

It seems to be the general opinion among the supervisors that their office help is entirely out of proportion to the work required.

The quarterly property returns are in English and contain perhaps 500 headings, each of which may require, to meet existing regulations, from one to a dozen vouchers (including, perhaps, receipts, certificates, affidavits, inspection returns, etc.). It can readily be seen that the supervisor, unless he has an intelligent English-speaking clerk, is compelled to devote a large part of his time to purely clerical work. It is costly economy to require a supervisor to do the work of a clerk whose salary would rarely be more than \$1,200.

The treasurer, who has a large and well-equipped office force should be held accountable for the property, to which plan the auditor and the insular treasurer practically agree.

RECOMMENDATIONS.

In order that the supervisor may be relieved of a large part of his present office work, so that he may devote himself more to the development of the resources of his province, and in order that he may have suitable means to carry out this development, it is respectfully recommended that:

(a) The supervisor be allowed either an adequate office force, or that he be relieved as provincial property officer.

(b) The supervisor be made responsible for the proper execution of all municipal public works.

(c) Instead of issuing rice in lieu of money in times of distress, rice be deposited where relief works are in progress and sold to those needing same at cost price, plus cost of transportation.

(d) That all examinations for applications to the civil service be held by traveling examiners, and not by the provincial board.

(e) That the Commission be requested to pass a law requiring every able-bodied male inhabitant between the ages of 18 and 60 to labor on the public roads not to exceed five days per annum, or to pay into the provincial treasury, for the benefit of the road and bridge fund, money equivalent to five days' labor, and that the provincial board be given authority to pass such acts and regulations as may be necessary to put into effect the provisions of such law.

Very respectfully,

J. D. FAUNTLEROY,
Chief of Supervisors.

MANILA, P. I.,
September 26, 1904.

REPORT OF BENGUET IMPROVEMENTS.

TWIN PEAKS, P. I., September 1, 1904.

The honorable SECRETARY OF COMMERCE AND POLICE,

Manila, P. I.

SIR: I have the honor to submit the following report of operations in regard to the improvements in Benguet Province authorized by act 794 of June 30, 1903, which appropriated the sum of \$2,500 for the survey of a wagon road from Naguilian, in the province of Union, to Baguio, in the province of Benguet; and the sum of \$5,000 for the survey of a town site in Baguio in the province of Benguet.

By the terms of section 2 of this act the funds appropriated were to be disbursed under my direction by a duly bonded disbursing officer.

NAGUILIAN-BAGUIO WAGON-ROAD SURVEY.

Mr. E. L. Heath was appointed chief engineer of this survey and early in July organized his party and took the field for work, Mr. Jacob Feldman being the disbursing officer of this party.

Mr. Heath connected with the bench mark of the United States Coast and Geodetic Survey in San Fernando, province of Union, and his levels were referred to the plane of reference established by that survey. From Naguilian the survey was begun and carried on to completion in December, 1903. The maps and estimates were subsequently completed and will

eventually be forwarded for file and record in the office of the consulting engineer of the Commission. For the present they are held in this office, as the data they contain will be needed in the preparation of the general map which will accompany the final report of improvements in Benguet Province.

This survey established the fact that a road could be built from Naguilian into Baguio, a distance of about 28 miles, with a maximum gradient of 6 per cent, and at an estimated cost of \$350,000 United States currency, but the Commission decided not to undertake the work at present.

BAGUIO TOWN-SITE SURVEY.

Mr. W. A. Milstead was appointed disbursing officer and Mr. George H. Hayward chief engineer of this survey.

Mr. Hayward proceeded to Baguio in the month of August, 1903, but owing to the necessity of speedy completion of the surveys of the Benguet road, he and his party were employed during the month of August in a survey from the foot of the old horse trail near Laoacan to the town of Baguio. After completing this work, he was engaged upon a topographical survey of the town of Baguio. Up to the present time the survey has been confined to the central basin and adjacent hills around and on which it is proposed to locate the government buildings and business section of the town. This survey has been made in most careful manner and notes taken which will enable maps to be platted with a contour interval of 1 foot, the work being done in such manner as to obviate the necessity of making resurveys for special works.

Mr. Hayward was also detailed to make the survey of the upper end of the proposed Naguilian road, his work meeting that of the Naguilian road survey about 1 mile below the Iresan River, some 5 miles from Baguio. In addition to this work, Mr. Hayward has made a survey of the old Benguet road from Baguio to a point 2 miles below Laoacan, also a survey for the irrigation of the Trinidad Valley. Mr. Hayward constructed a temporary ditch for the use of the government experimental farm in that valley. He has been called upon frequently for other engineering work and made a survey and gave testimony in the case of *Mateo Varino v. The United States* in the court of first instance at Baguio. He has also completed a survey of the proposed township limits of Baguio. Attention is invited to Mr. Hayward's report, which is forwarded herewith, and especially to the last paragraph thereof. It is recommended that a building be authorized for construction as an office for the engineer at Baguio.

Respectfully submitted.

L. W. V. KENNON,
Major, Tenth U. S. Infantry, in Charge.

BAGUIO, BENGUET, P. I., June 30, 1904.

L. W. V. KENNON,
Major, Tenth U. S. Infantry,
In charge of Benguet Improvements.

SIR: I have the honor to submit the following report of the work done by the department of Baguio improvements, a list of which is as follows:

Survey of upper section of Bued River canyon; survey of upper end of Naguilian road; survey of original Benguet road from Baguio to a point 2 miles below Laoacan; survey for irrigating Trinidad Valley and construction of temporary ditch for use of Government Experimental Farm; survey for maps and testimony in court of first instance at Baguio in the case of *Mateo Carino v. United States* for composition of certain lands claimed by said Carino; survey of government reservation in Benguet Province for the purpose of designing and laying out a street and public works system for the city of Baguio, the summer capital of the Philippine Islands.

The survey of the upper section of the Bued River canyon was for the purpose of locating a route for the Benguet road, which was found to be practicable, obtaining an entrance into the Baguio basin over the watershed line between the Bued and Naguilian rivers at its lowest point. About 8 miles of road are required by this route to connect Camp 5, so called, with Baguio.

The survey of the Naguilian road was started from Baguio and, according to your instructions, was run to meet the Naguilian road survey party coming up from Naguilian. The junction was made at a point 1 mile below the Iresan River and some 5 miles from Baguio.

The survey of the old Benguet road included a connection of the survey line run from Camp 4 of the Benguet road over Kias hill, and also a topographical survey of the country adjoining the creek that drains the Laoacan Valley into the Bued River, which survey was for the purpose of considering the practicability of connecting the proposed road up the Bued River canyon with the old Benguet road and using the latter road from Laoacan to Baguio.

The survey for the Trinidad irrigation included a plan of the present Trinidad road from Lucban to the government farm.

The plan proposed a new location of the ditch and road farther removed from the Trinidad River which has encroached on the adjoining land. The estimate of ₱1,700 included the cost of labor and materials but not the land damage incident to the road and ditch crossing private land.

In accordance with instructions to get water onto the farm at the earliest practicable date, ₱697.16 were expended in constructing about 2,000 feet of new ditch and cleaning out some 6,000 feet of the ditch now used by the Igorrotes for irrigating purposes. With the exception of about ₱50 the amount was used on work which may be incorporated into the plan proposed for a permanent plant.

It is desired to state at this time that the temporary work above referred to has been washed away by the river, and if a temporary structure is again built the large opening in the road will require a more expensive piece of work.

The case of *Meteo Carino v. United States* took seven days' time, and included the preparation of three maps for the purpose of comparing and explaining the relation of the claim to the conditions. The greater part of this land is within the military reservation, and is all within the new bounds which are proposed for the government reservation.

Up to the present time the survey of the government reservation has been confined to the central basin and adjacent hills, around and on which it is proposed to locate the government buildings and business section of the city, and which are within the boundaries of the original reservation. The survey, as far as completed, has been platted and a tracing forwarded to your headquarters.

It is the intention to at once prepare a plan of the proposed street system for the center of the town, together with the public works, that they may be acted upon by you and, upon approval, laid out on the ground, ready for construction work to begin as soon as orders to that effect are received. Inasmuch as it is desirable that this part of the town, together with such additions as may be made in the near future, shall be in harmony with the landscape and the future street system of the entire reservation, it is important that the topographical maps cover considerable area outside of that on which the streets may from time to time be laid out. As it will be beneficial to all interests, public and private, that individual effort to improvement is encouraged by a system of lots suitable for the purpose, it will be advantageous to have the entire reservation mapped as soon as practicable, that delay in the final disposition of land suitable for building shall be of short duration.

To serve all probable interests, there is liable to be three classes of work under way at one time, namely, work under construction, surveys for extensions, designing and laying out extensions; attention is therefore invited to the need at the proper time of a force sufficient to handle the work, and house suitable for headquarters. While recognizing the desirability of avoiding as much as possible the erection of temporary structures, as the work progresses, the notes, records, and other property increase in value, and some building that will protect such property and provide suitable accommodation for the office work should be erected by the beginning of 1905, at which time the Benguet road will probably be ready for the transportation of such supplies as will be required for carrying on the construction work in Baguio.

Very respectfully,

GEO. H. HAYWARD,
Chief Engineer Baguio Survey.

MANTLA, P. I., October 4, 1904.

The honorable the SECRETARY OF COMMERCE AND POLICE, *Manila, P. I.*

SIR: As disbursing officer, Benguet improvements, I have the honor to submit for the year ending September 1 a report of the appropriations, amount disbursed, and balance on hand under appropriation of surveys of Baguio.

Total appropriations.....	₱17,000.00
Total disbursements.....	15,401.53
Balance.....	1,598.47

The above disbursements also cover supplies purchased in connection with this survey to the amount of ₱3,250.28 and ₱5,000, which was the amount of resolution passed by commission for work on Trinidad irrigation ditch.

The employees connected with this survey are: One chief engineer, at ₱375 per month; 1 rodman, at ₱90 per month; 1 cook, at ₱40 per month; 20 Igorrote laborers, at ₱0.50 per day.

It is requested that this report be attached to the report of Major Kennon, officer in charge Benguet improvements.

Very respectfully,

WALTER A. MILSTEAD.

REPORT OF BENGUET ROAD.

TWIN PEAKS, P. I., September 1, 1904.

THE EXECUTIVE SECRETARY, Manila, P. I.

SIR: I have the honor to submit the following report of operations on the Benguet road from June 1, 1903, to September 1, 1904:

By the terms of resolution of the Commission of June 1, 1903, I was placed in charge of the Benguet road, which was inspected by me for the first time about June 8, 1903. At that time there were but 173 employees engaged upon the work.

The preliminary work of organizing and starting the Naguilian wagon road and the Baguio surveys occupied me until August 14, when I arrived at Twin Peaks and established my headquarters at that point. The Commission had given me residence at Baguio, but owing to the importance of the work on the Benguet road that residence was given up, that more attention could be given to the work on this road. The organization of the administrative and construction departments of the work was begun at once. By the end of September there were about 2,600 laborers on the road to feed and house, necessitating a regular organization and system. A disbursing officer was appointed, who had charge of the rolls and timekeeping and of all disbursements on account of the road; the transportation department, which had charge of the transportation of supplies from Dagupan to Twin Peaks and their distribution after they reached that point; the commissary department, having charge of the storage and distribution of rations; the property department, having charge of all property in use or purchased for the road, excepting commissaries; the medical department, to look after the sick and injured; the engineering department, charged with the making of surveys and the location and laying out of the roadway and of the design and construction of the walls, bridges, and culverts needed for the road.

Regulations for all departments of the road were drawn up and published.

The working force was organized in gangs of about 100 men each, under a foreman whose duties required him to look after the work of that number of men and their proper feeding and housing.

But little change has been necessary from the first organization made, except that the disbursing officer was given supervisory charge of the commissary and property departments.

On my taking direct charge of the work, a roadway had been opened up practically as far as Twin Peaks, with some considerable work above. The instructions of the Commission as given to me were to prepare this roadway for the placing of track for an electric railway. This necessitated an entire change in the method of construction which had been in vogue previously, and necessitated careful surveys. These were ordered in July, and for some time the engineering department was engaged entirely on this work.

Mr. Boulay, assistant engineer, made a preliminary survey from Camp Sub 3 to Thirty Minute Creek. Messrs. Dobbs and Barton, assistant engineers, made a preliminary survey from Thirty Minute Creek to the foot of the horse trail from Laoacan. Mr. Hayward made a preliminary survey from the foot of the horse trail into Baguio. Surveys were made by myself in person of the line from Twin Peaks to Dagupan, and from Twin Peaks to Mr. Boulay's point of beginning. These surveys afforded data on which preliminary estimates could be made of the cost and character of construction required.

In the course of these and subsequent surveys every possible route by which a road could be constructed from the Bued River canyon to Baguio was examined and surveyed. The one adopted appears by the process of elimination to be the best if not the only satisfactory route existing.

While the gang of 100 men remains a unit of the force, the present organization, which has been developed by experience on the road, is in camps, each under the charge of a first-class foreman, and containing from 200 to 600 workmen, according to the nature and character of the work.

The work from Twin Peaks had been pushed up to Camp 3 by January 1, 1904. On and after that date several camps were established beyond Camp 3, and by the 1st of April the roadway was opened, and was passable for horses to Camp 4, but considerable work had still to be done before this route could be utilized for cart transportation. The road was put in fair condition for the hauling of supplies to Camp 4, although temporary bridges and culverts only were constructed in order to meet the needs of transportation. As the work was finished in the vicinity of a camp it was moved forward beyond Camp 4, and at this date there are six camps between Camp 4 and the foot of the horse trail from Laoacan. Others will be established as soon as the final location of the route has been staked out on the ground.

With regard to the administrative features of the road, the aim has been to systematize and to place all departments upon a business basis. Purchasing was done only on my authority, and by agents appointed by myself. It was found economical and necessary to have an agent in Manila, whose duties are to represent the road, and on special authority granted in each case, to purchase the stores and supplies needed for the use of the road. It

is believed that great economy has resulted from this measure, and that in general the best prices have been obtained in all purchases made on account of the road.

A very considerable amount of work has been necessary below Twin Peaks. This road was relocated and reconstructed below Twin Peaks for a distance of about a mile. This work was begun in July, and is now practically completed. The Bued River, on the old location, was crossed by bridges Nos. 39 and 40. In the typhoon of October 26, 1903, bridge 39 was carried away by the flood. A temporary bridge was put in at once, but as the approaches to both these bridges were entirely impracticable if track were to be laid, a cut was made on the face of the cliff and the two river crossings avoided at these points.

The freshets of last and of this year washed away the lower road for considerable distances, and it has been necessary to keep a maintenance force almost constantly employed in order to keep this portion of our line of supplies passable. Its location in my opinion is very defective, and the reconstruction of the portion below Camp 1 will probably cost as much as to build a new road by way of San Fabian, on a more direct line and on an almost ideal location, considered from the point of view of engineering construction.

Surveys of this route have been made, and a special report, with estimates and recommendations, will be forwarded in a short time.

Attention is invited to the accompanying reports of the several heads of departments of this work for detailed statements of the operations pertaining to each respectively.

Respectfully submitted.

L. W. V. KENNON,
Major, Tenth U. S. Infantry, in Charge.

REPORT OF THE CHIEF ENGINEER, BENGUET ROAD.

Col. L. W. V. KENNON,
Officer in Charge.

SIR: In accordance with your verbal orders of August 1, 1904, I have the honor to report as follows for this office for the year ending June 30, 1904:

The writer assumed charge of the office of chief engineer April 10, 1904, and as there were no official records or correspondence in the office this report really covers only the last quarter. Nearly all of the work illustrated by photographs was under way, however, and it will be attempted to make the report suggestive rather than complete.

Since my assumption of office the work carried on has been as follows:

- (1) Location between Camps 4 and 5, in charge of Mr. Chas. G. Benson, assistant chief engineer.
- (2) Final location of track centers and mapping between Twin Peaks and Camp 3, in charge of Mr. J. F. Pfau, assistant engineer.
- (3) Design of structures, A. H. Perkins, chief engineer, and Mr. Pfau.
- (4) Superintendence of construction, all engineers.
- (5) Preliminary location of proposed new line from Dagupan to Camp 1 via San Fabian, and resurvey of present road from Twin Peaks to Dagupan via Camp 1, Pozorubio, and Magaldan, in charge of Mr. Storm.
- (6) Relocation of portion of road south of Twin Peaks, in charge of Mr. Franklin H. Drees, assistant engineer.
- (7) Gauging of the Bued River at Twin Peaks, Mr. Pfau.
- (8) Reconnaissance of the Agno River, Mr. Benson and Mr. Perkins.
- (9) Cement tests, office work, etc., all engineers.

DISCUSSION OF WORK.

(Numbers correspond to above.)

(1) The topography of the country along this location is the most rugged found anywhere along the entire line. Add to this the instability of the formation and the resulting slides, and we have the conditions for maximum expense for construction and location.

(2) It is proposed to make careful maps and profiles of the road as fast as the work of finishing and construction of masonry goes forward. These maps will be on a scale of 100 feet per inch, on separate sheets 24 by 36 inches. They will show existing structures and complete data for track laying. This work has been platted from Twin Peaks to Camp 3. The azimuths were checked by observations of Polaris and showed an error of but 2 feet.

(3) Your letter of instructions of April 16, 1904, contains the following:

" * * * Culverts and bridges of short span are to be of concrete, or, if good rock be convenient, of rubble masonry. It is contemplated that larger bridges shall be of steel when the road is completed. * * * "

Under these instructions several important structures have been designed and executed, as shown in the accompanying photograph. The cost of masonry has, however, been found to be so heavy on account of the high cost of cement, unskilled labor, and lack of labor-saving machinery that it has been decided to cut the masonry construction to the lowest possible point.

The rugged nature of the country make standards of less value than usual. Each problem has to be studied by itself and a separate solution found. This, with the low intelligence of the available labor and consequent necessity for careful inspection, throws more than the ordinary construction work on the engineer corps.

Photographs of some of the structures, under construction and after completion, follow this report.

(4) In the superintendence of construction this office confines itself to suggestions as to methods and defining the limits of work and to inspection. Skilled masons are impossible to secure in any numbers, and the absence (now being remedied) of machinery and appliances make this part of our work hard and the cost to the road large. However, with the constant watchfulness exercised by the officer in charge and every member of the engineer corps good results are now being attained in our masonry construction.

(5) When the fieldwork was nearly completed for this survey, Mr. Storm was taken sick. As a result the platting proceeded very slowly, being done at odd times. The work is now complete and a reduced map accompanies this report.

(7) Tracing attached.

(8) This work was ordered by the officer in charge for the purpose of ascertaining the availability of this stream for the development of power for the road. The work was still under way June 30.

(9) This item is self-explanatory, embracing all of the routine work of office and field, such as correspondence, setting grade and center stakes, and the many small items that occupy the larger part of one's time.

Illustrative of the difficulties of the work additional to those imposed by nature, the sand for the construction of the 32 foot arch, shown in the photograph later, was carried in sacks on the backs of natives out of the river bed—rather an expensive elevator and conveyer. The foreman, Mr. Cook, then ingeniously rigged up two cables and carriages, on which five natives rode down on one cable, pulling up by their weight five sacks of sand on the other cable. This worked very well and resulted in great saving. For some of the other work, men hauled sand up on a cable with ropes; for still other places bulls replaced the men. The hoisting engine now ordered will cheapen our masonry probably 50 per cent.

Among the problems demanding our attention in the immediate future are:

(1) The surveys for the power development. I am of the opinion that power will be developed most cheaply by pipe line from the falls near the mouth of Loakon Creek to the bench above the Horse Trail. At the latter point enters the west fork of the Bued River, which also looks favorable to the development of power.

(2) Location of the line from Camp 5 to Baguio. This must be pushed at our best speed.

(3) Final determination of the route to be adopted below Camp 1 to Dagupan and the final location of the line over the adopted route. The report and map of the preliminary surveys will be forwarded to you as soon as they are received from Manila, where they have been sent for blueprinting.

(4) The inauguration of a cost-keeping system. This will be of the greatest benefit to us and to the government in the prosecution of future work.

REPORT OF DISBURSING OFFICER, BENGUET ROAD.

BENGUET ROAD,
OFFICE OF THE DISBURSING OFFICER:
Twin Peaks, Benguet, P. I., August 26, 1904.

THE OFFICER IN CHARGE IMPROVEMENTS IN BENGUET PROVINCE.

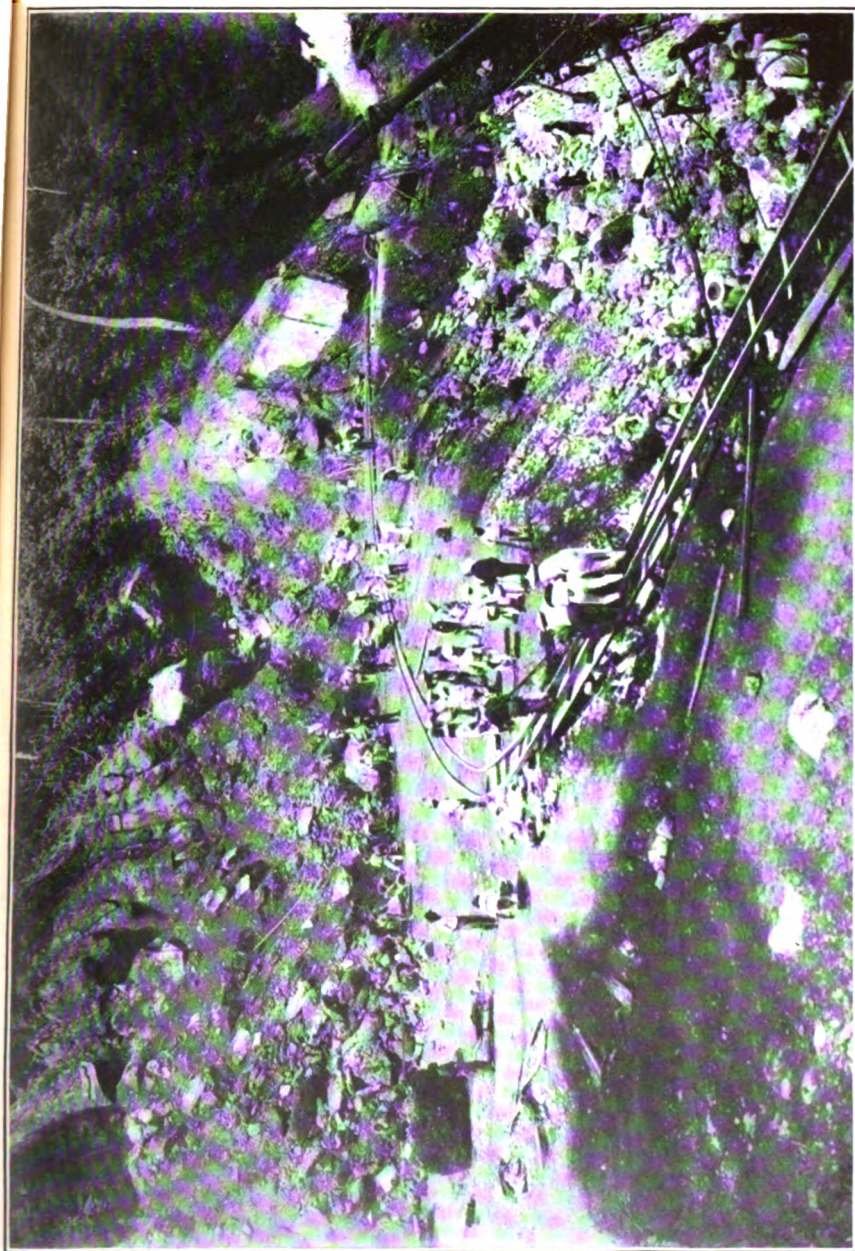
SIR: I have the honor to render the following annual report for the period July 1, 1903, to June 30, 1904, as disbursing officer, Benguet road.

The financial records at this office do not extend back beyond November 20, 1903, the date of assumption of duty by the present disbursing officer, so that the following statement of receipts and expenditures is limited to the period from November 20, 1903, to June 30, 1904:

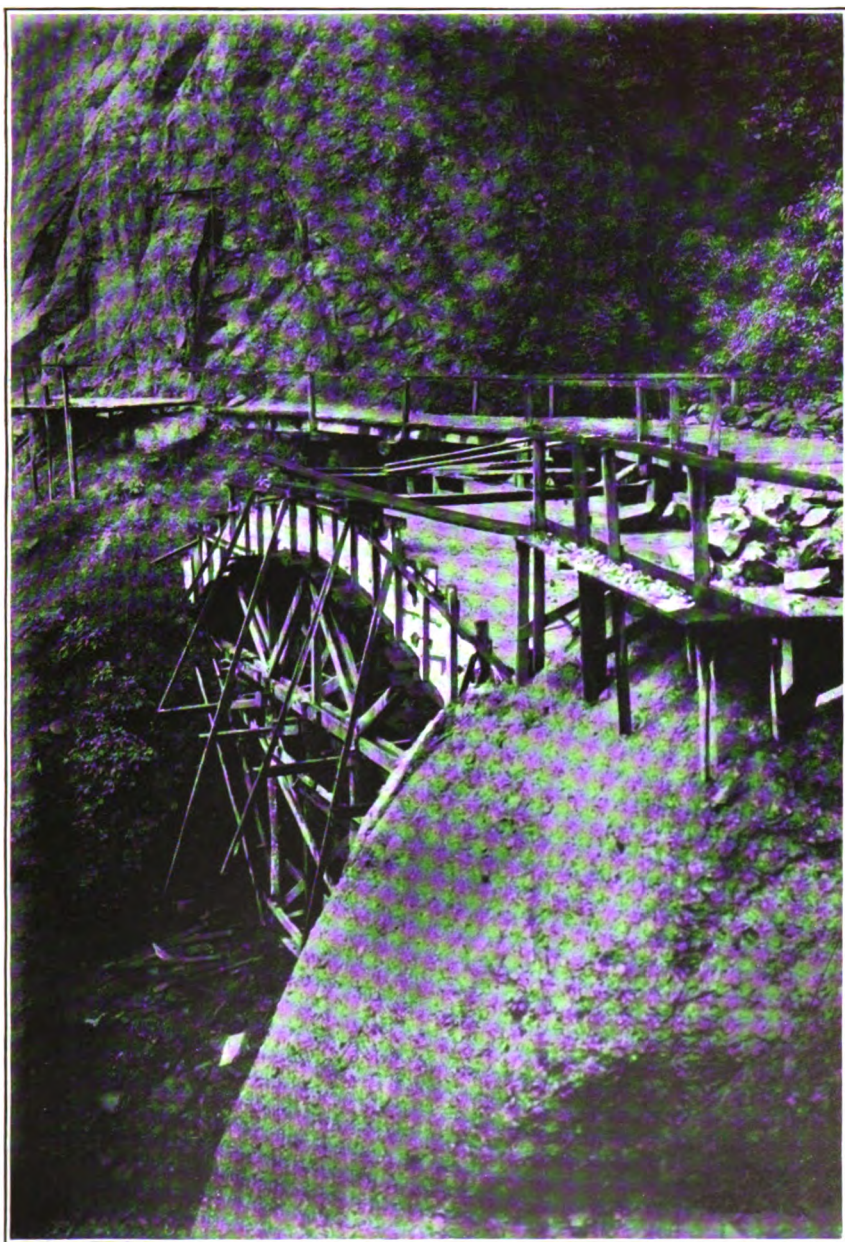
Total receipts and expenditures.

[Philippine currency]

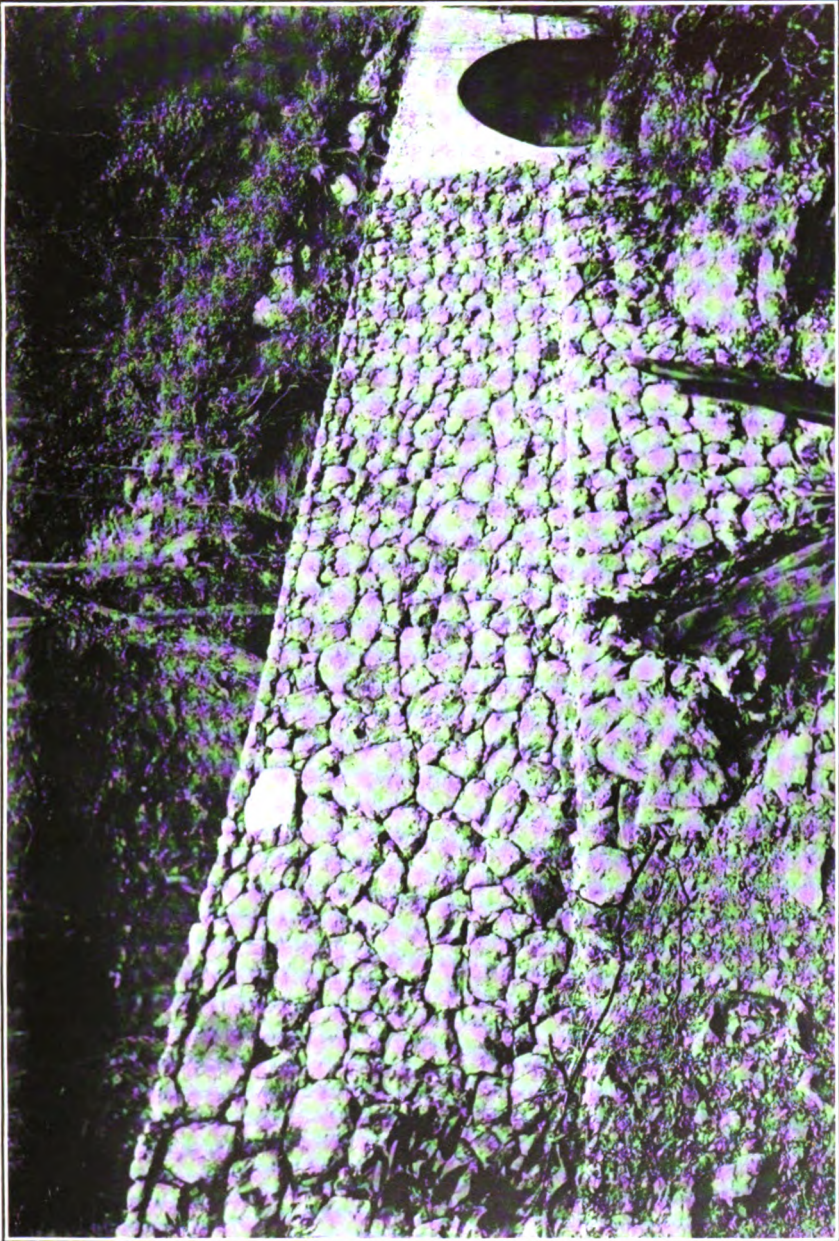
Received from all sources.....	P 1,204,919.39
Disbursed.....	1,152,026.85
Balance due government June 30, 1904.....	52,892.54



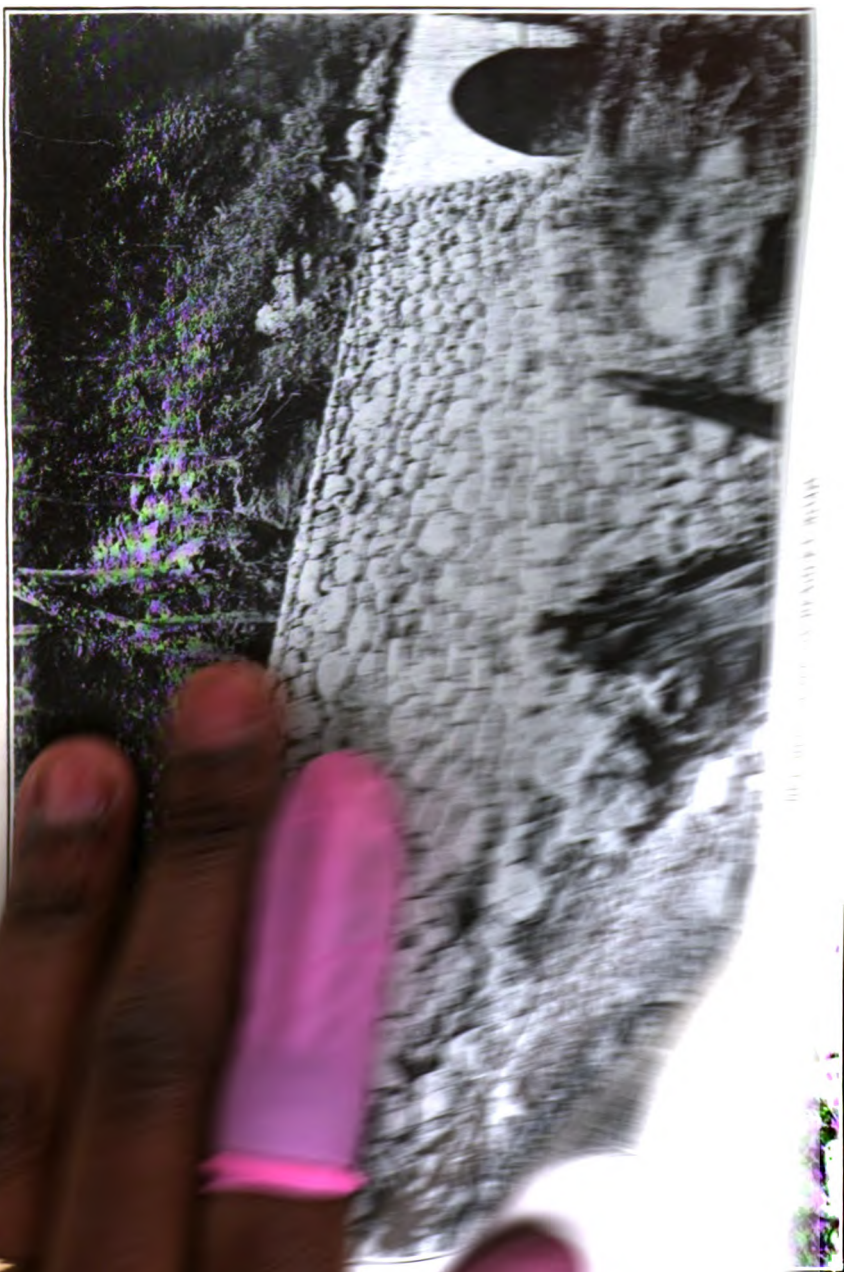
CONSTRUCTION WORK ON BENGUET ROAD.

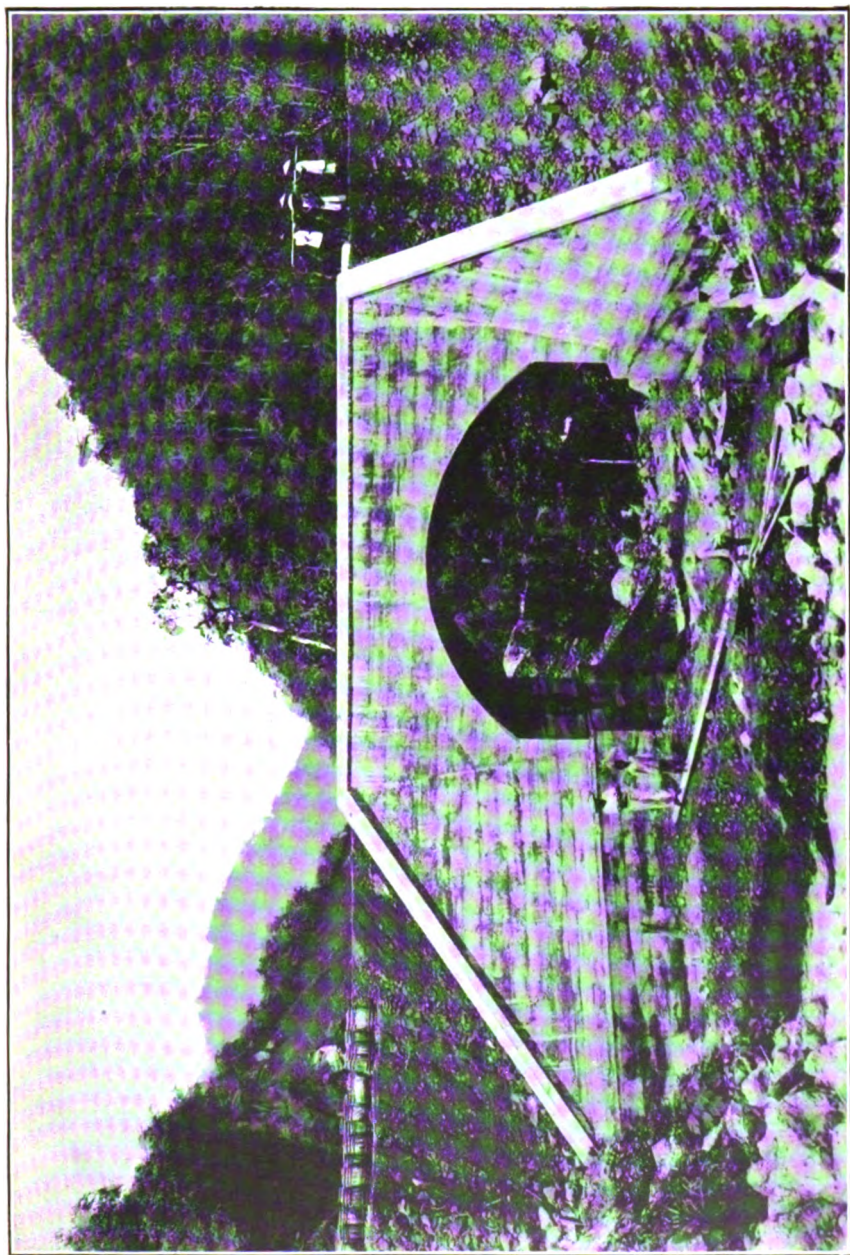


BRIDGE CONSTRUCTION ON BENGUET ROAD.

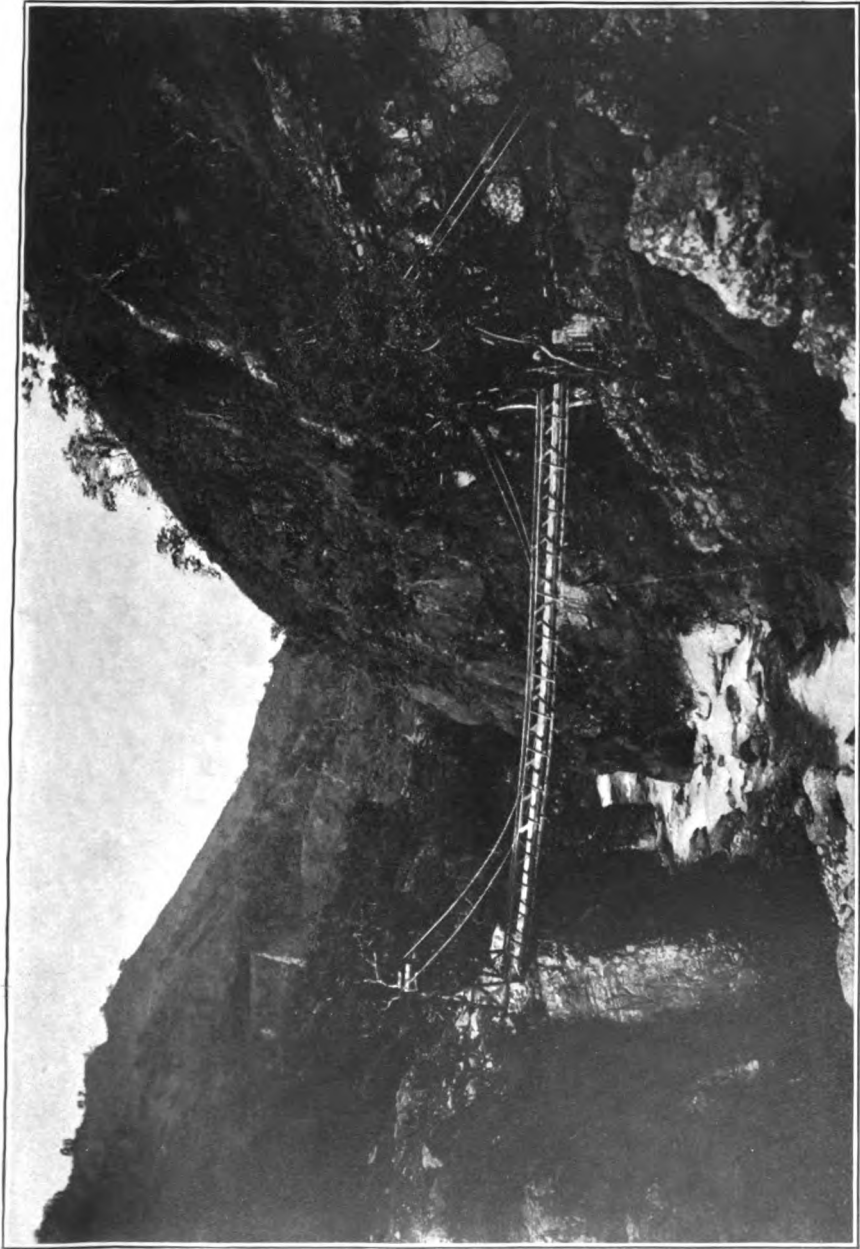


RETAINING WALL ON BENGUET ROAD.

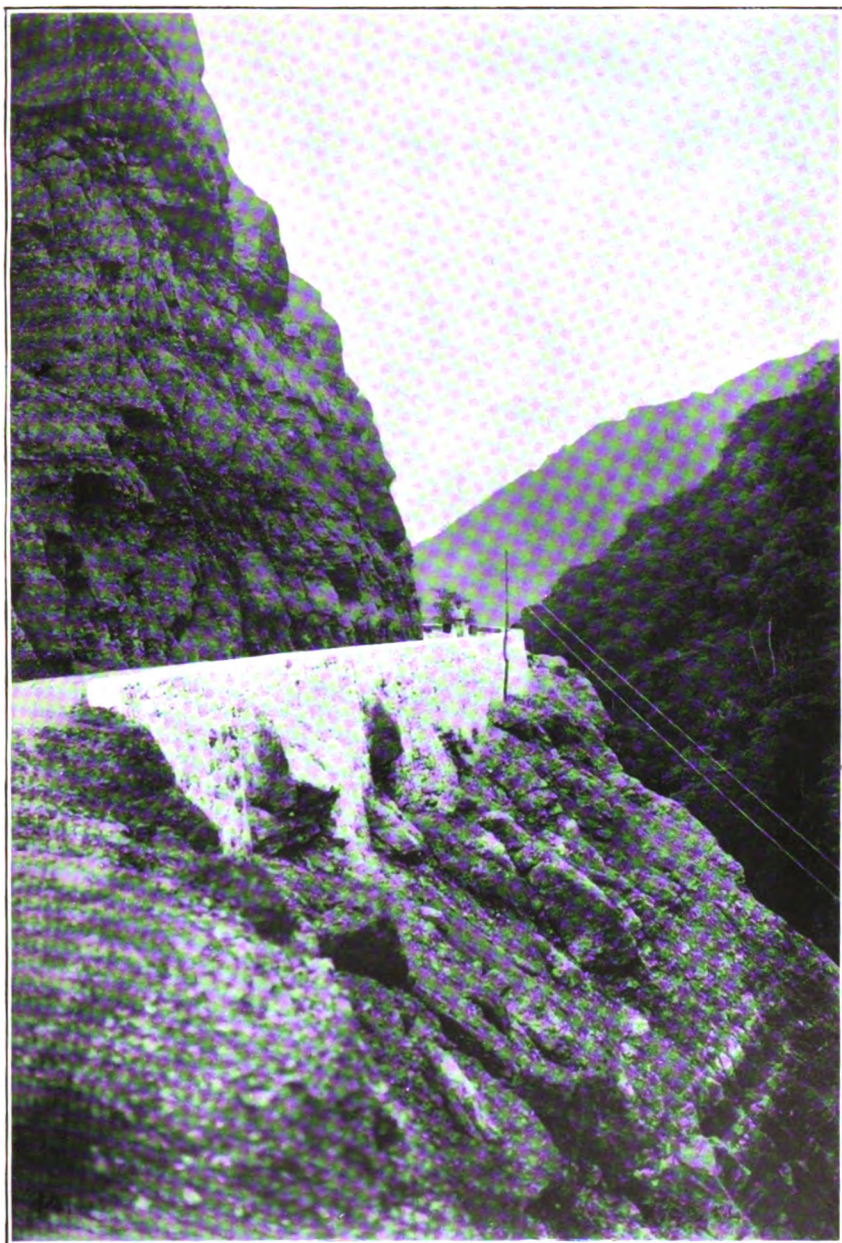




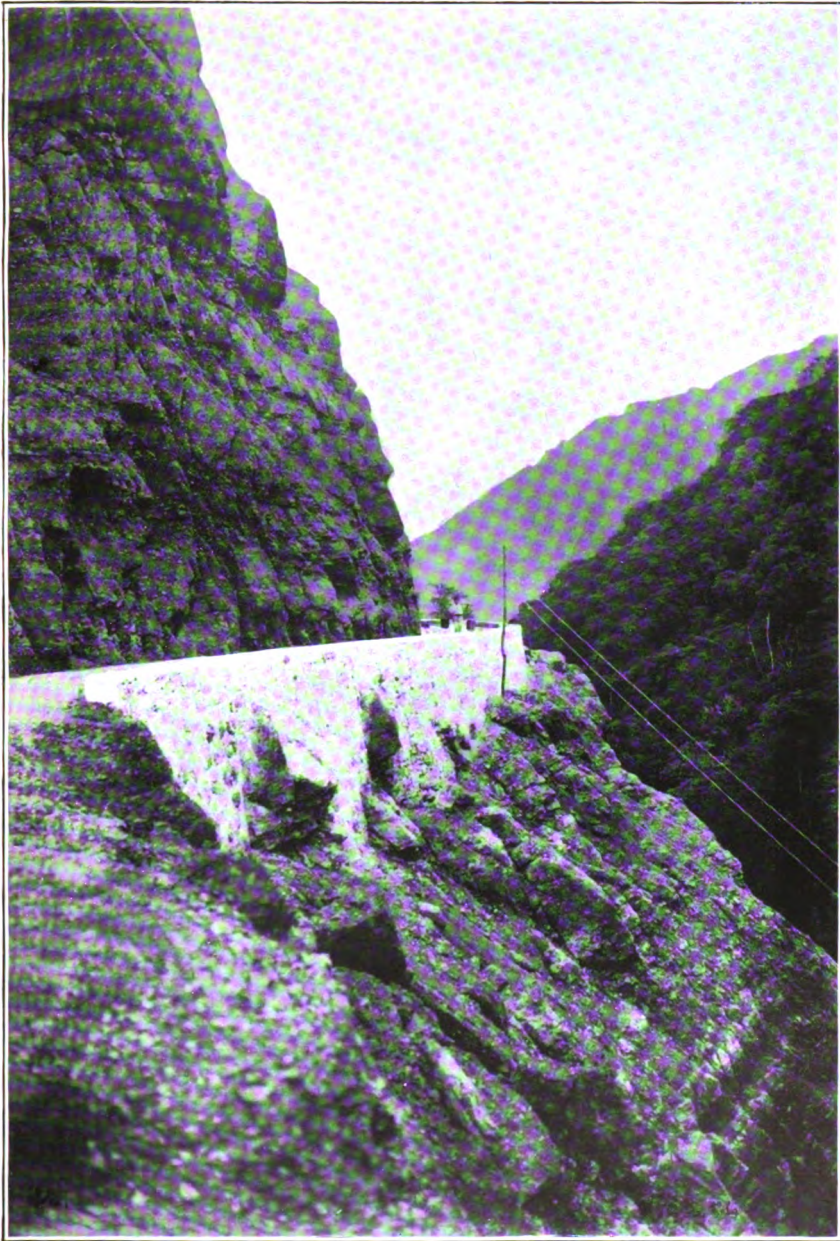
BRIDGE ON BENGUET ROAD.



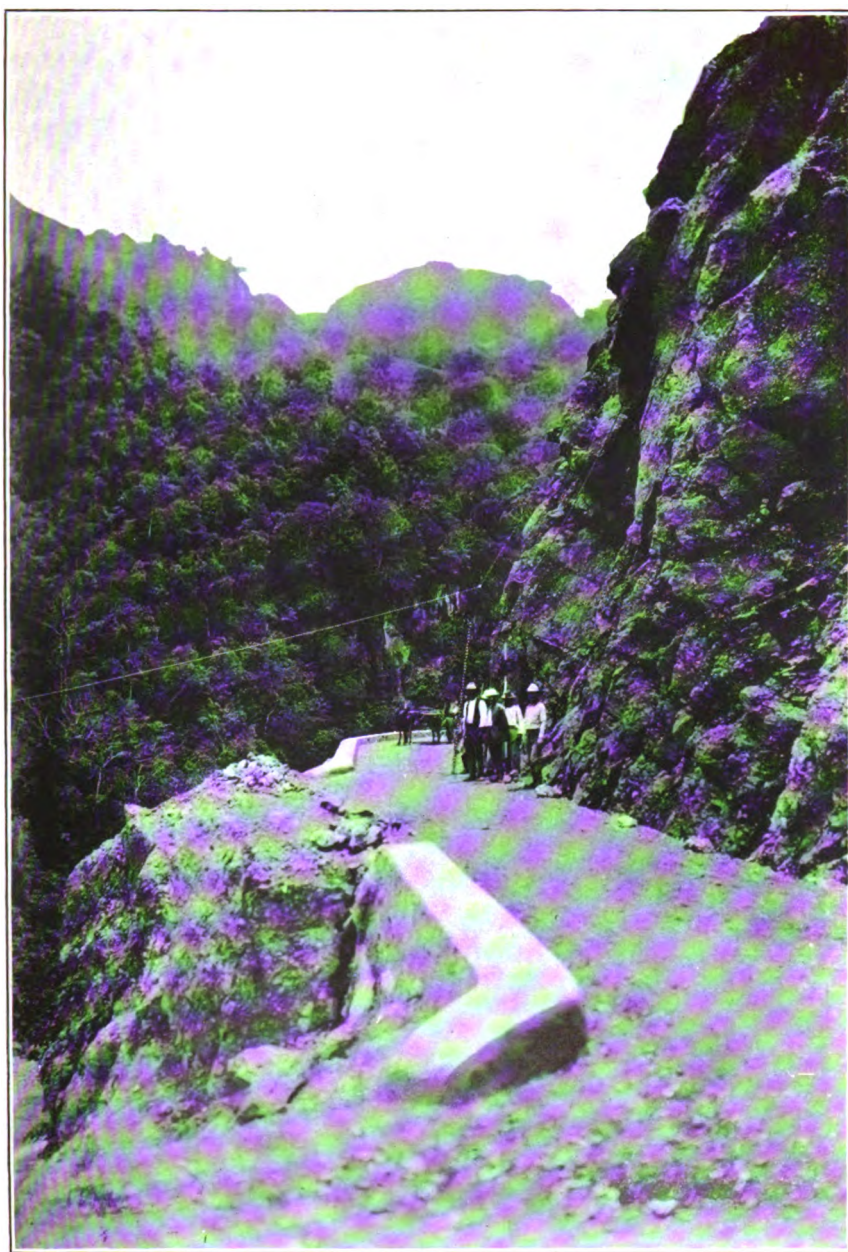
VIEW ON BENGUET ROAD.



RETAINING WALL ON BENGUET ROAD.



RETAINING WALL ON BENGUET ROAD.



VIEW ON BENGUET ROAD.

A detailed statement of expenditures is hereto appended, marked "Exhibit A."

In addition to the expenditures shown in "Exhibit A," supplies and materials and property of all classes were purchased of the insular purchasing agent during the period July 1, 1903, to June 30, 1904, amounting to ₱165,823.12. This sum includes a uniform charge of 10 per cent for transportation for delivery of the supplies thus purchased at Dagupan, and settlement for the entire amount is made by the auditor and not by this office.

The records of this office show the average daily number of employees on the works (by months) for the period July 28, 1903, to June 30, 1904, to have been as follows:

Date.	Americans.	Japanese.	Chinos.	Filipinos.	Others.	Total.
1903.						
July.....	312	32	202	611	20	1,177
August.....	314	46	558	395	a 156	1,469
September.....	333	65	385	684	a 156	1,623
October.....	377	116	379	1,777	a 165	2,816
November.....	392	525	329	1,320	b 206	2,772
December.....	364	572	299	618	37	1,890
1904.						
January.....	534	598	302	744	15	2,193
February.....	509	628	211	2,329	116	3,793
March.....	506	723	258	1,150	112	2,749
April.....	508	575	276	1,457	203	3,019
May.....	452	502	306	1,379	170	2,809
June.....	481	588	346	1,350	140	2,905

a 136 convicts included.

b 175 convicts included.

Very respectfully,

M. W. ROWELL,
Captain, Eleventh Cavalry, U. S. Army, Disbursing Officer.

EXHIBIT A.

Statement of expenditures.

	Salaries and wages.	Subsistence.	Transportation.	Purchase of forage.	Supplies and materials.	Miscellaneous.	Refund to treasurer account insular purchasing agent.	Total.
1903.								
November 20-30.....	₱6,335.85	₱290.84	₱2,415.88	₱9.00	.....	₱223.42	.....	₱9,274.99
December.....	104,582.97	13,742.10	5,937.38	216.31	₱2,780.82	941.34	.....	128,200.92
1904.								
January....	85,331.93	76,118.76	6,416.26	3,520.04	3,485.95	1,029.82	₱25,268.58	201,171.34
February....	99,565.97	27,524.10	10,731.20	983.69	116.04	802.46	.....	139,723.46
March.....	109,481.54	31,855.30	8,645.77	4,783.45	9,633.67	1,312.22	.....	165,711.95
April.....	112,111.78	54,421.69	8,335.75	1,273.88	2,417.71	348.40	.....	178,909.21
May.....	103,225.54	48,390.47	17,737.58	6,023.59	9,046.47	538.30	.....	184,961.95
June.....	106,955.56	17,653.34	12,760.47	1,111.67	5,004.66	587.43	.....	144,073.03
Total	727,591.14	269,996.60	72,980.29	17,921.53	32,485.32	5,783.39	25,268.58	1,152,026.85

REPORT OF THE PHILIPPINE COMMISSION.

BENGUET ROAD, OFFICE OF THE DISBURSING OFFICER,
Twin Peaks, P. I., September 26, 1904.

The OFFICER IN CHARGE IMPROVEMENTS IN BENGUET PROVINCE.

SIR: In compliance with instructions, I have the honor to submit herewith supplement to my annual report for the fiscal year ending June 30, 1904, covering the period July 1, 1904, to August 31, 1904:

Total receipts and expenditures.

[Philippine currency.]

Balance due government June 30, 1904.....	₱ 52, 892. 54
Received from all sources July 1 to August 31, 1904.....	303, 757. 12

Total.....	356, 649. 66
Disbursed July 1 to August 31, 1904.....	317, 691. 86

Balance due government August 31, 1904.....	38, 957. 80
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A detailed statement of expenditures is hereto appended, marked "Exhibit A."

In addition to the expenditures shown in Exhibit A, supplies and materials and property of all classes were purchased of the insular purchasing agent during the period July 1 to August 31, 1904, amounting to ₱4,908.14. This sum includes a uniform charge of 10 per cent for transportation and delivery at Dagupan of the supplies thus purchased and settlement for the entire amount is made by the auditor and not by this office.

The records of this office show the average daily number of employees on the works for the period July 1 to August 31, 1904, to have been as follows:

Date.	Amer- ican.	Japa- nese.	Chi- nese.	Filipi- nos.	Others.	Total.
1904.						
July.....	440	855	322	1,127	41	2,785
August.....	452	812	311	1,267	40	2,882

Very respectfully,

M. W. ROWELL,
Captain, Eleventh Cavalry, U. S. Army, Disbursing Officer.

EXHIBIT A.

Supplementary statement of expenditures.

Date.	Salaries and wages.	Subsist- ence.	Trans- por- tation.	Purchase of forage.	Supplies and ma- terial.	Miscel- laneous.	Refund to treas- urer ac- count in- sular purchas- ing agent.	Total.
1904.								
July.....	₱104,951.21	₱2,980.40	₱7,158.12	₱1,186.27	₱10,218.67	₱546.35		₱127,041.02
August.....	100,895.02	29,249.76	4,474.29	1,673.53	53,720.66	637.58		190,650.84
	205,846.23	32,230.16	11,632.41	2,859.80	63,939.33	1,183.93		317,691.86
November 20, 1904, to June 30, 1904.....	727,591.14	269,996.60	72,980.29	17,921.53	32,485.32	5,783.29	₱25,268.58	1,152,026.85
Total.....	933,437.37	302,226.76	84,612.70	20,781.33	96,424.65	6,967.32	25,268.58	1,469,718.71

REPORT OF PROPERTY OFFICER BENGUET ROAD.

OFFICE OF PROPERTY OFFICER BENGUET ROAD,
Twin Peaks, Benguet, P. I., July 15, 1904.

The OFFICER IN CHARGE IMPROVEMENTS IN BENGUET PROVINCE.

SIR: In accordance with instructions received from you on July 12, I have the honor to submit the following report covering the essential details of the operation of this department

for the period commencing December 12, 1903, the date on which I assumed charge, and ending June 30, 1904:

Upon taking over the department from my predecessor, Mr. J. J. Murphy, I found the office without any records of practical value, which fact has handicapped administration of the affairs of this department to a considerable extent and which makes it impracticable to state the total money value of property supplies purchased for use of the road during the period between July 1 and December 11, 1903.

Supplies, consisting of draft animals, blasting materials and tools, forage, medicines, and miscellaneous supplies, etc., to the respective values of ₱42,915, ₱85,433.12, and ₱105,460.22, a total of ₱233,808.34, have been purchased during the period covered by this report. These supplies have uniformly been of a satisfactory quality.

Delay has occasionally been experienced in the delivery of supplies purchased at Manila owing to the difficulties of transportation by bull train from Dagupan to Twin Peaks, a distance of more than 32 miles, and the more remote stations along the road, due to the distance traversed and the resultant hardship in a tropical climate to animals and wear and tear to wheel transportation. This has been minimized as much as possible by withdrawing animals from the trains as soon as they exhibit indications of overwork, putting them to pasture or stall-feeding them for a time, and then slaughtering and issuing them as the fresh beef component of the ration to employees of the road, and substituting the animals so slaughtered with new animals purchased under contract.

Supplies purchased at Manila by the purchasing agent of the road or furnished by the insular purchasing agent are consigned to the property officer. Upon arrival at Dagupan the supplies are taken up on the books of the agent of the road at that place, who is a bonded employee and who certifies to the receipt of the property. The property is then stored in the Dagupan warehouse pending transportation to the main warehouse at Twin Peaks. The Dagupan agent is required to accomplish bills of lading and make regular report of stores as they are received, but all invoices are accomplished at the main office by the property officer and no commercial bills for property furnished the road are paid until proper auditor forms have been accomplished by the property officer, who is required to render property returns to the auditor covering all transactions of this nature pertaining to the department.

The main warehouse at Twin Peaks is under the direct supervision of an assistant property officer, who receipts to the property officer for all supplies arriving from Dagupan or turned in after serving their purpose at camps on the road. There are also two other warehouses, each under the direct supervision of assistant property officers, who receive their instructions from the property officer at Twin Peaks. One is situated about 3½ miles and the other about 6½ miles from Twin Peaks. These warehouses are used as distributing points for camps in such sections. Supplies are forwarded to these warehouses from the main warehouse at Twin Peaks and are then issued on approved local requisitions to responsible foremen and others authorized to draw property. In all cases memorandum receipts are taken for the property issued, whether of an expendable or nonexpendable nature.

Property lost, as well as property rendered unserviceable through service on the road, is acted upon by the committee appointed under the provisions of Act No. 215, Philippine Commission.

The following force of employees is necessary for the proper transaction of the work of this department:

At Twin Peaks.—In executive office: One head of department; 1 abstract and return clerk; 1 requisition and voucher clerk; 1 native clerk, for typewriting and copying; 1 office boy. In warehouse: One assistant property officer; 1 bookkeeper; 1 stock clerk; 4 warehouse laborers (natives). At Camp No. 3: One assistant property officer; 1 general clerk; 2 warehouse laborers (natives). At Camp No. 4: One assistant property officer; 1 general clerk; 4 warehouse laborers (natives).

Of the force employed at Camps Nos. 3 and 4 one-half of the salary of such employees is charged to the commissary department, as such employees handle commissaries and property jointly in one warehouse, under one bonded assistant representing both departments at each place.

The property officer is bonded to the civil government in the sum of \$10,000 United States currency, and all assistant property officers in the sum of \$5,000 United States currency, for the proper accounting of public civil property for which they are accountable or responsible, respectively.

Very respectfully,

L. F. HENRY,
Property Officer Benguet Road.

REPORT OF PROPERTY OFFICER BENGUET ROAD.

OFFICE OF PROPERTY OFFICER BENGUET ROAD,
Twin Peaks, Benguet, P. I., September 22, 1904.

The OFFICER IN CHARGE IMPROVEMENTS IN BENGUET PROVINCE.

SIR: In compliance with the request contained in your letter of the 19th instant, I have the honor to submit the following report covering transactions pertaining to this department for the period from July 1 to August 31, 1904; this report being supplemental to the annual report recently submitted for the period ending June 30, 1904.

Supplies consisting of bullocks to the value of ₱28,765; blasting materials to the value of ₱29,200; and tools, forage, medicines, and miscellaneous, to the value of ₱12,493, have been purchased from commercial firms; and blasting materials to the value of ₱660, and tools, forage, medicines and miscellaneous, to the value of ₱4,251.54, have been purchased from the insular purchasing agent at Manila during the period specified. These figures exhibit a total expenditure of ₱75,369.79 for property supplies purchased for this department during the months of July and August, 1904.

No departure has been made from the system set forth in the former report for administering the affairs of the department.

Since submission of the last report 6 Japanese laborers have been employed in constructing hemp shoes for the draft bullocks used in the service of the road, for transportation purposes. The cost of construction of these shoes is reasonable, and the adoption of this method of protecting the animals' hoofs has met with excellent results.

In order to provide adequate wheel transportation for conveying supplies to distant stations recently opened to this class of transportation through rapid progress in extension of the road, it has been found necessary to order the construction of 25 additional bull carts. These carts will be of a similar pattern to some already in use on the road; they are constructed of good material, are adapted to the work, and their cost is only ₱50 each.

Very respectfully,

L. F. HENEY, *Property Officer.*

REPORT OF COMMISSARY OFFICER BENGUET ROAD.

OFFICE OF THE COMMISSARY OFFICER,
Twin Peaks, Benguet, P. I., August 1, 1904.

The OFFICER IN CHARGE IMPROVEMENTS IN BENGUET PROVINCE.

(Through disbursing officer Benguet road.)

SIR: In compliance with verbal instructions from the officer in charge, I have the honor to submit the following report of operations of the subsistence department Benguet road for the fiscal year ending June 30, 1904.

This report commences with the transfer made by N. M. Holmes to J. H. Hazeltine, dated August 21, 1903. There are no records in this office for the period July 1 to August 20, 1903.

Date.	Articles.	Stores.	Cattle.
1903, Aug. 21	Value of supplies transferred by N. M. Holmes.....	₱45,030.54	₱6,600.00
1904, June 30	Value of supplies purchased to include June 30, 1904.....	213,069.98	119,359.59
30	Total to be accounted for.....	258,100.52	125,959.59
30	Value of supplies issued to include June 30, 1904.....	184,329.80	117,042.59
30	Value of supplies sold for cash to include June 30, 1904.....	3,716.92	
30	Value of beef hides sold.....		1,792.00
30	Value of supplies remaining on hand.....	70,053.80	7,125.00
	Total.....	258,100.52	125,959.59

The progress of the road made necessary the establishment of a commissary at Camp No. 3 October 21, 1903, and at Camp No. 4 on April 1, 1904, distant from Twin Peaks 3½ and 6½ miles, respectively.

There has been no known dissatisfaction with the class of supplies furnished, which have been uniformly of good quality with no appreciable loss on account of damaged or unserviceable stores.

Very respectfully,

E. F. AMBROSE, *Commissary Officer.*

OFFICE OF THE COMMISSARY OFFICER,
Twin Peaks, Benguet, P. I., September 26, 1904.

The OFFICER IN CHARGE IMPROVEMENTS IN BENGUET PROVINCE.

SIR: In compliance with instructions of the officer in charge, I have the honor to submit the following report of operations of the subsistence department Benguet road for the months of July and August, 1904:

Date.	Articles.	Stores.	Cattle.
1904.			
June 30	Value of supplies on hand.....	P 70,053.80	P 7,125.00
Aug. 31	Value of supplies purchased to include Aug. 31, 1904.....	17,690.44	32,554.00
31	Total to be accounted for.....	87,744.24	39,679.00
31	Value of supplies issued to include Aug. 31.....	37,483.98	36,186.50
31	Value of supplies sold to include Aug. 31.....	1,667.78	492.50
31	Value of beef hides sold.....	48,592.48	3,000.00
31	Value of supplies remaining on hand.....		
	Total.....	87,744.24	39,679.00

Very respectfully,

E. F. AMBROSE,
Commissary Officer.

REPORT OF THE CHIEF SURGEON, BENGUET ROAD.

BASE HOSPITAL,
Balangabang, P. I., September 7, 1904.

L. W. V. KENNON,
Major, Tenth U. S. Infantry, Officer in Charge.

SIR: I have the honor to state in submitting this the annual report of the medical department of the Benguet road, that I regret that it is not possible to render a full report covering the fiscal year of 1903.

I was not appointed chief surgeon of the road until October 13, 1903, and I find it impossible to include the months of July, August, and September, 1903, for the reason that during the time Dr. H. A. Lindley was road surgeon, under the administration of N. M. Holmes, very few records were kept in this department, and even these few are in such a condition as to be useless for statistical purposes.

From October 1, 1903, until June 30, 1904, the time covered by this report, the road has been under construction and the mechanics and laborers have been distributed from Camp 1, 5 miles below Balangabang, to Camp Dowd, a distance of 15 miles.

The character of the work being necessarily dangerous from working on high cliffs, falling rock, landslides and the constant use of immense quantities of giant powder and dynamite, not to mention the continuous exposure the men have to undergo from the tropical sun in the dry season, and the wet and cold during the rainy season, while living in improvised temporary quarters, the difficult task of supplying the necessary medical and surgical attention required for their relief and safety, can be readily understood. To add to this the fact that many of the laborers are unfortunately of a class that have no idea of hygiene or sanitation, and that many others fail to provide themselves with sufficient clothing to keep them warm at night, the amount of sickness exhibited by the following tables will not be at all surprising.

SANITATION.

The question of sanitation has been a difficult one to handle in many respects for various reasons. A large number of the men both neglect and refuse to drink boiled water, and it is almost impossible to prevent the oriental classes from overcrowding their quarters. The Japanese bathe too often and the Chinese and Filipinos too seldom, and all three classes insist on eating all kinds of uncooked fruit, vegetables, and canned food. The sanitary conditions of the various camps and quarters, which are in charge of the camp foreman, and under supervision of the medical department, is good, but, as many of the laborers live in their own shacks, it is impossible to regulate their mode of life or habits.

FOOD AND RATIONS.

The quantity of food furnished by the road for subsistence is quite sufficient for all demands, and the variety and quality are first class. The cooking and preparation of the

food are as good as could be expected under the circumstances, and if the men would confine themselves to the regular rations issued and not indulge in and consume so much truck purchased on the outside much sickness would be prevented.

HOSPITAL AND MEDICAL STATIONS.

During the time covered by this report there have been 4 hospitals located at various places on the road. At Balangabang the Base Hospital, with a capacity of 30 beds, has been in operation the entire time. An 8-bed hospital was located from October 1, 1903, until May 20, 1904, at Camp 3. Since that date there has been a medical station at this camp with a hospital attendant in charge. At Camp 4 a 6-bed hospital was established October 1, 1903, and enlarged to 10 beds on February 1, 1904. At Camp Dowd, 3 miles above Camp 4, an 8-bed hospital was located on May 20, 1904, and has been in operation since that time. Medical stations, with hospital attendants in charge, have been located at Camp 1½, Camp Sub 4, and other places as necessity required. As the men are charged a certain rate per day for their food if they do not work when not sick, it is necessary to station a hospital attendant at each camp to examine their condition and report the same to the surgeon in charge. Besides, it has been found a necessity to have a member of the medical corps on hand or near by to where any considerable number of men are working, to render aid in case of accident.

MEDICAL CORPS.

Until January 1, 1904, a chief surgeon and one assistant surgeon were employed. As the men became distributed over a greater distance, and as the road was frequently blocked and impassable for several days at a time, it was found necessary to employ more surgeons for the safety of the men in case of accident, and two additional assistant surgeons were secured; so that at the present time there is one chief surgeon and three assistant surgeons. There have been two hospital stewards on duty since October, and the number of hospital attendants employed since that date has varied from time to time from 7 to 10, as the demands of the work required. The respective salaries of the members of the medical corps are as follows: Chief surgeon, \$2,000; two assistant surgeons, \$1,800; one assistant surgeon, \$1,500; hospital stewards, \$900, and hospital attendants, \$720 gold per annum. It seems absolutely impossible to get along with any smaller medical force than the present one, for the reason that the amount of work in this department is continually increasing, and in case of sickness among the surgeons or corps men the department would be rendered inefficient.

INFECTIOUS AND CONTAGIOUS DISEASES.

During the month of November, 1903, Asiatic cholera made its appearance in the most pernicious form, from which one American and four Japanese died. As all the cases were isolated as soon as discovered and kept under strict quarantine regulations, no new ones developed and the disease disappeared.

On February 14, 1904, a case of variola was discovered at Camp 3, in a Filipino, who was isolated at once. Vaccine virus was promptly secured from the board of health at Manila, and 3,240 employees and residents on the road were vaccinated inside of five days from the time the case was located. The man recovered, and no other cases developed.

EMPLOYEES OF THE ROAD.

In the following tables, which give the total number of employees that have worked on the road from October 1, 1903, until June 30, 1904, in a classified form according to nationality, those classed as Americans include Americans, American negroes, English, Australians, and white Europeans. As this grouping or classification is used in all the departments on the road to simplify matters for business purposes, I have not been able to arrange them differently in my tables, which I greatly desired to do in order to be able to arrive at more correct conclusions.

Employees of the road.

Americans	3,554
Chinese	2,234
Japanese	4,558
Filipinos	10,038
Total	20,384

Principal diseases classified.

Disease.	Ameri- cans.	Chinese.	Japanese.	Filipinos.	Total.
Dysentery.....	115	13	224	138	490
Diarrhea.....	282	23	426	269	1,000
Malaria.....	1,232	475	1,672	1,242	4,621
Fractures.....	8	5	6	16	35
Wounds.....	554	416	722	1,162	2,854
Ulcers.....	163	374	444	980	1,961
Beriberi.....		20	81	142	243
Miscellaneous.....	854	224	1,226	1,260	3,564
Total.....	3,208	1,550	4,801	5,209	14,768

Deaths, and principal causes.

Disease.	Ameri- cans.	Chinese.	Japanese.	Filipinos.	Total.
Dysentery.....			29	15	44
Malaria, pernicious.....			9	5	14
Beriberi.....		8	13	18	39
Accidents.....	4	1	4	4	13
Bronchitis, capillary.....		1	2	5	8
Pneumonia.....				9	9
Opium poisoning.....		6			6
Cholera.....	1		4		5
Miscellaneous.....	3	5	8	18	34
Total.....	8	21	69	74	172

Relative percentage of employees.

	Per cent.
Americans.....	17.5
Chinese.....	11.0
Japanese.....	22.5
Filipinos.....	49.0

Relative percentage of cases.

	Per cent.
Americans.....	21.5
Chinese.....	10.5
Japanese.....	32.5
Filipinos.....	35.5

Death rate, per 1,000.

Americans.....	2.25
Chinese.....	9.40
Japanese.....	15.15
Filipinos.....	7.30
Average.....	8.52

REMARKS.

An inspection of the foregoing tables will show that, when the employees of the road are compared according to nationality as classified, that those classed as Americans (which class includes Americans, American negroes, English, Australians, and white Europeans), while only numbering 17.5 per cent of the total, have produced 21.5 per cent of the number of cases of sickness and accidents, and suffered a loss by death at the rate of 2.25 per cent per 1,000.

The Chinese, who furnished 11 per cent of the employees, supplied 10.5 per cent of the cases of sickness, and have a death rate of 9.4 per cent per 1,000.

The Japanese, with 22.5 per cent of laborers to their credit, have produced 32.5 per cent of the cases of sickness, and suffered a death rate of 15.15 per cent per 1,000.

The Filipinos, who have supplied the road with 49 per cent of its employees, have furnished 35.5 per cent of the sick cases, and have a death rate of 7.3 per cent per 1,000.

It will be seen from this that the Americans, Chinese, and Japanese are all below the average as regards the number of employees furnished the road, and that the Filipinos are far above it, having supplied almost half the total number.

As regards the number of cases of sickness produced by each class, the Americans and Chinese are below, and the Japanese and Filipinos above the mean average; but when the proportion of employees furnished by each class is taken into account, it will readily be seen that the Japanese have produced the greatest percentage of sick cases, followed by the Americans and Chinese, in the order named, while the Filipinos have furnished by far the least percentage.

Very respectfully,

J. W. MADARA,
Chief Surgeon, Benguet Road.

BASE HOSPITAL,
Balangabang, P. I., September 23, 1904.

L. W. V. KENNON,
Major, Tenth Infantry, U. S. Army, in Charge.

SIR: In compliance with instructions from your office of recent date, I have the honor to submit the following report of the medical department of the Benguet road for the months of July and August of the present year, as a supplement to the annual report for the fiscal year of 1903.

Since June 30, 1904, work on the road having been extended several miles farther up the canyon, and three new camps established, it has been necessary to station hospital attendants at each of these camps; so that at present time hospitals, with surgeons in charge, are located at Balangabang Camp 4 and Camp Dowd, and medical stations, with hospital attendants in charge, at Camp 3, Camp Boyd, Camp Hann, Camp Reed, and Colgan.

The administration of the medical department has not been altered in any way, nor has the general demands of the road upon this department varied or changed materially since the annual report was submitted; hence, the conditions and facts set forth in the former will apply largely to this one.

The following tables are intended to exhibit the facts as regards the number and percentage of employees, cases of sickness, death rate, etc., in the most concise form:

Employees of road.

Americans.....	973
Chinese.....	633
Japanese.....	1,667
Filipinos.....	2,394
Total.....	5,667

Relative percentage of employees.

	Per cent.
Americans.....	17.2
Chinese.....	11.2
Japanese.....	29.4
Filipinos.....	42.2

Principal diseases classified.

Disease.	Americans.	Chinese.	Japanese.	Filipinos.	Total.
Dysentery.....	24	3	78	30	132
Diarrhea.....	98	116	226	115	442
Malaria.....	223	1	397	305	1,041
Fractures.....	2	6	6	1	10
Wounds.....	104	78	210	209	601
Ulcers.....	41	98	85	228	452
Beriberi.....	14	50	42	106	106
Miscellaneous.....	329	134	611	449	1,523
Total.....	821	444	1,663	1,379	4,307

Relative percentage of cases.

	Per cent.
Americans.....	19
Chinese.....	10
Japanese.....	39
Filipinos.....	32

Deaths, and principal causes.

Disease.	Ameri- cans.	Chinese.	Japanese.	Filipinos.	Total.
Dysentery.....			11	2	13
Malaria, pernicious.....			1		1
Beriberi.....		5	3	5	13
Accidents.....	4		8		12
Pneumonia.....				1	1
Opium poisoning.....		2			2
Abscess of liver.....			1		1
Miscellaneous.....		2	4	1	7
Total.....	4	9	28	9	50

Death rate, per 1,000.

Americans.....	4.21
Chinese.....	14.21
Japanese.....	16.79
Filipinos.....	3.75
Average.....	8.82

REMARKS.

It will be noticed that the relative percentage of employees on the road varies but slightly from that of the former report. The Americans and Chinese are practically the same, while the Japanese have increased and the Filipinos decreased 7 per cent.

As regards the relative percentage of cases furnished by each class, it will be seen that the Chinese are the same, while the Filipinos have decreased $2\frac{1}{2}$ per cent. The Americans and Japanese have both increased, the former $2\frac{1}{2}$ and the latter $3\frac{1}{2}$ per cent.

A glance at the relative death rate will show that while the Filipinos decreased slightly, all the other have increased. An inspection of the table of deaths and principal causes will show just why this is so.

Very respectfully,

J. W. MADARA,
Chief Surgeon, Benguet Road.

SUPPLEMENTARY REPORT FOR JULY AND AUGUST, 1904.

The honorable the SECRETARY OF COMMERCE AND POLICE,
Manila, P. I.

SIR: I have the honor to submit the following brief report of work accomplished during the months of July and August, 1904.

ROAD CONSTRUCTION.

Vigan-Bangued Road, province of Ilocos Sur.—An additional appropriation of ₱14,700 was provided for by Act 1192, dated July 15, 1904, for the purpose of constructing the bridges between San Quentin and Bangued. Upon completion of the Abra River survey Mr. Wheeler resumed his work as superintendent, about September 1, 1904.

Capas-O'Donnell-Iba Road, provinces of Tarlac and Zambales.—Mr. Keys resigned the superintendency of this road on account of continued poor health, August 10, 1904. He was succeeded by Mr. H. Thurber, by transfer from the supervisorship of Bulacan.

Pagbilao-Antimonan Road, Tayabas Province.—Mr. J. G. Vogelgesang was fatally injured while in the discharge of his duties, August 4, 1904. The chief clerk, Mr. J. R. Miner, was detailed to the position of acting superintendent.

Carcar-Barila road, Sogod-Putad road, Cebu Province.—Mr. H. C. De Lano, supervisor and superintendent of these roads, was transferred to the improvement of the port, Manila, P. I., July 16, 1904, and Mr. T. W. Allen was appointed supervisor and is now in charge of road construction.

A recent request from the provincial officers for the transfer of the funds appropriated for the Sogod-Putad road to the construction of a road across the central part of the island from Cebu to Toldeo has been referred to this office and is under consideration.

Padre Juan Villaverde Trail, province of Nueva Vizcaya.—Mr. Bennett resigned the superintendency of this road August 17, 1904; Mr. L. W. Wilson, his assistant, was placed in charge. Mr. Wilson is now confined in the civil hospital, and Mr. Nipps, acting supervisor Nueva Vizcaya, is temporarily in charge of the work.

No changes of importance have occurred on the other roads under prosecution.

The following tabulation shows the approximate expenditures on these various roads now under construction:

Summary of road projects under special acts appropriating insular funds.

Termini of roads.	Provinces.	Length.	Act No. and date.	Appropriation (Philippine currency).	Expended to Aug. 31, 1904, approximate.	Approximate expenditures during July and August, 1904.	Approximate amount on hand Sept. 1, 1904.
		<i>Miles.</i>					
Vigan.....	Ilocos Sur.....	22.0	920, Oct. 3, 1903.	₱80,000	₱79,877.22		₱14,822.78
Pangasinan.....	Abra.....	11.92	July 15, 1904.....	14,700			
Cebu.....	Tarlac.....	50.0	1016, Nov. 30, 1903.....	360,000	107,647.75	₱30,719.02	232,352.25
O'Donnell.....	do.....	20.5	1015, Nov. 30, 1903.....	174,000	139,224.20	40,000.00	34,775.80
Paigbilao.....	Zambales.....	18.0	918, Oct. 2, 1903.....	50,000	49,333.12		666.88
Almonan.....	do.....	6.0	1073, Mar. 3, 1904.....	39,000	19,152.98	10,732.90	19,847.02
Pasacao.....	Ambos Camarines.....	18.0	do.....	144,600	25,012.98	12,517.71	119,587.02
Lucena.....	Tayabas.....	11.5	1074, Mar. 3, 1904.....	34,000	4,000.00	1,313.10	30,000.00
Nueva Caceres.....	Laguna.....	12.0	1000, Nov. 20, 1903.....	56,000	52,136.67		3,863.33
Bay.....	do.....	16.0	do.....	178,000	4,534.64		173,465.36
Calamba.....	Tayabas.....	33.0	920, Oct. 3, 1903.....	80,000	64,811.79	5,356.00	15,188.21
Los Baños.....	do.....	63.0	do.....	8,000			
Bay.....	do.....	4.5	1083, Mar. 10, 1904.....	62,000	59,619.11	10,484.42	10,380.89
Carcara.....	do.....		1073, Mar. 3, 1904.....	70,000			70,000.00
Segod.....	Nueva Vizcaya.....						
Putad.....	Pangasinan.....						
Sorsogon.....	Laguna.....						
Bulusan.....	do.....						
Padre Juan Villaverde trail: ^c							
Bayombong.....							
San Nicolas.....							
Magdalena.....							
Santa Cruz.....							
Total.....				1,350,300	605,350.46	111,123.15	744,949.54

^c Construction will be completed under the operation of "maintenance gangs."^b Construction not commenced.^a Same condition as on July 1.

AUTHORIZED ROAD SURVEYS IN PROGRESS.

The following tabulation shows the principal authorized road surveys and investigations in progress during the months of July and August:

Road surveys.^a

Termini.	Province.	Date of authorization.	Field work commenced.	Chief of field party.	Approximate expenditures July and August.
Balanacan-Boac	Tayabas.....	Nov. 30, 1903	1904. July 6	Max Dobbins...	P2,850
Loboc-Ubay	Bohol.....	Mar. 10, 1904	do	R. A. Blair.....	1,925
Valle Hermosa-La Castellana	Negros Island ..	Nov. 20, 1903	do	R. Suter.....	1,934
Guinigaran-La Castellana			do		
San Enrique-La Castellana			do		
Subag Bay-Dinalupihan	Pampanga and Bataan.	Mar. 29, 1904	do	B. G. Fogg.....	835
San Fernando-Dinalupihan			do		
Angeles-Dinalupihan	Laguna and Tayabas.	Jan. 23, 1903	do	Wm. Meadowcroft.	1,998
Magdalena-Lucban			do		

^a In progress.

HARBOR WORK UNDER CONTRACT.

Field and inspection parties for the harbor improvement of Cebu and Iloilo are being organized. It will be necessary to start field work at Iloilo early in October.

The temporary timber wharf, Cebu, will be completed about October 1. Additional to the amount provided for by act No. 1020, dated December 4, 1903, about P7,000 will be required to complete this structure, making a total cost of about P47,000—a sum well within the amount authorized for this purpose by resolution of the Commission dated September 25, 1903.

The following tabulation shows the principal authorized miscellaneous surveys and investigations in progress during the months of July and August:

Nature of work.	Province.	Date of authorization.	Field work commenced.	Chief of field party.	Approximate expenditures, July and August.
Ship canal ^a	Tayabas.....	Nov. 30, 1903	^b July 6, 1904	Max Dobbins.....	.....
Jetty ^a	Ambos Camarines	Feb. 9, 1903	do	do	.....
Pier ^a	Paragua.....	Jan. 6, 1904	do	do	.....
River improvement ^c	Ilocos Sur.....	Sept. 22, 1903	July 9, 1904	E. S. Wheeler.....	P3,810
Do. ^c	Tarlac.....	Sept. 1, 1903	Aug. 3, 1904	W. G. Hunter.....	1,071

^a To be taken up with the Balanacan-Boac road survey.

^b Assigned.

^c In progress.

Routine work has occupied the time of the various divisions. It will be necessary to decrease the number of survey parties now engaged in field work, on account of funds available through the provisions of act 1225; however, authorized surveys will be well in hand upon the completion of the field work now in progress, and it appears that the force provided for can meet all ordinary requirements placed upon it.

PROVINCIAL WORK.

The first annual meeting of the provincial supervisors was held in Manila August 15 to 20, inclusive.

Compilation of the papers presented at this meeting is in progress, and will be submitted in the near future with a request for an authorization of a similar meeting early in the next fiscal year.

Provincial records received for the months of July and August show no special features.

The following tabulation shows an approximate statement of expenditures up to September 1; the proportional expenditures for two months are ₱35,333.33.

Money statement for July and August, 1904.

	Contingent expenses.	Public works.	Salaries and wages.
Appropriation act 1225 (July 1, 1904)	₱14,000.00	₱40,000.00	₱158,000.00
Expenditures:			
July	1,260.02	1,455.82	7,605.96
August	3,096.95	7,010.73	13,014.92
Total	4,356.97	8,496.55	20,649.88
Balance	9,643.03	31,503.45	137,350.12
Total amount appropriated			₱212,000.00
Total amount expended			33,543.40
Total amount available September 1			178,496.60

Respectfully submitted.

J. W. BEARDSLEY,
Consulting Engineer to the Commission.

MANILA, P. I., October 5, 1904.

ANNUAL REPORT OF THE BUREAU OF POSTS OF THE PHILIPPINE ISLANDS.

OFFICE OF THE DIRECTOR OF POSTS,
Manila, P. I., September 14, 1904.

The honorable the SECRETARY OF COMMERCE AND POLICE.

SIR: I have the honor to submit herewith the following as my fourth annual report of the bureau of posts, the same being for the fiscal year ending June 30, 1904. The statistical tables herewith will give detailed information covering all branches of the postal service. The information relative to revenues and expenditures is given as obtained from the auditor.

PERSONNEL OF THE SERVICE.

The employees of this bureau at the commencement of the fiscal year were as follows: Postmasters, 148 Americans and 66 Filipinos; clerks in post-offices, 64 Americans, 70 Filipinos, and 1 Chinese; officers and clerks, office director of posts, 17 Americans and 6 Filipinos; making a total of 229 Americans, 142 Filipinos, and 1 Chinese.

During the year 4 Americans and 6 Filipinos were appointed by reinstatement, 9 Americans and 3 Filipinos by transfer from other bureaus of the government, 24 Americans and 18 Filipinos from certifications of the civil-service board, 79 Americans and 305 Filipinos not in the classified service, and 11 Americans by transfer from the United States postal service.

During the year 8 Americans were separated by transfer to other bureaus; 18 Americans and 4 Filipinos in the classified service by resignation; 117 Americans and 74 Filipinos filling unclassified positions by resignation; 12 Americans and 5 Filipinos in the classified service by removal; 1 American and 16 Filipinos in the unclassified service by removal; and 2 Americans and 2 Filipinos by death.

The officers, clerks, and employees of this bureau at the close of the fiscal year were as follows: Postmasters, 102 Americans and 287 Filipinos; clerks in post-offices, 72 Americans, 84 Filipinos, and 1 Chinese; officers and clerks in the bureau of posts, 23 Americans and 8 Filipinos, making a total of 577.

REVENUES AND EXPENDITURES.

Complete statistics relative to revenues and expenditures are not obtainable at this time, as the audit of postmasters' accounts to the auditor has not been completed. There is a falling off in revenues during the first half of the fiscal year, which, if continued through the balance of the year, will reduce the revenues to about ₱267,000 for the year.

The expenditures for the fiscal year for all purposes will amount to about ₱514,190, or an increase of ₱46,225 over the preceding year. In addition to this the public printer furnished this bureau with printing and binding to the value of ₱25,926.34. Of this increase ₱38,000 were for inland mail transportation and about ₱5,000 for traveling expenses of post-office inspectors.

Complete statistics covering revenues and expenditures will be furnished as soon as obtainable from the auditor.

DEAD-LETTER OFFICE.

Reference to Tables F, G, and H will furnish very complete information regarding this department. These tables show that during the year a total of 39,143 pieces of mail were received in the dead-letter office, which for any cause could not be delivered to addressees. This is a decrease of 3,969 over the preceding year.

The number of pieces of unclaimed matter received in the dead-letter office and subsequently returned for delivery to the senders in the United States is one-half less than for the year 1903, but on the other hand there was an increase of 2,338 in the number of pieces destroyed because of inability to make delivery to addressee or return to the sender.

During the year money amounting to ₱18.86, taken from letters the senders of which could not be found, was turned into the postal revenues after being held one year. At the close of the year 28 letters containing \$76.20 United States currency and ₱10.05 Mexican currency, and various money orders, drafts, and bills of exchange, remained in the dead-letter office, the senders not having been found. The proceeds of such of these as are held one year will be converted into the postal revenues.

MONEY-ORDER BUSINESS.

At the commencement of the fiscal year the money-order business was in operation at but 33 offices. During the year it was extended to 30 additional offices, so that, with but one exception, the money-order business is now in operation at each provincial capital. Statistics covering this branch of the work are not complete at this time.

At the Manila post-office 26,294 orders were issued, aggregating \$1,358,436.40. This is an increase of 3,157 orders over the preceding year. Reports so far as completed show a material increase at many of the other money-order offices in the islands.

The money-order system is still used largely for remittances of money to the United States. Money-order post-offices in the United States paid during the year orders issued in the Philippines to the amount of \$1,447,077.79, while during the same period postmasters in the Philippines paid money orders issued in the United States to the amount of \$103,683.32. In partial settlement of our accounts with the United States, to balance the difference between the amount of United States orders paid in the Philippines and Philippine orders paid in the United States, \$2,000,000 were deposited with the treasurer of the Philippine Islands to the credit of the United States Government.

There is a continual demand for further extension of the money-order business to the smaller places in the provinces. Such requests

are acted upon favorably whenever there is reason to believe that the amount of business to be obtained will justify this action.

The acceptance of Mexican or Spanish-Filipino currency for the purchase of money orders was discontinued September 1, 1903. This action had a tendency for a time to reduce the money-order business, but was taken after consultation with the civil governor on the ground that by discontinuing the handling of Spanish-Filipino and Mexican currency in the money-order business we would materially effect the transmission of these kinds of money from place to place throughout the islands, and thus render much assistance to the introduction of the new Philippine currency. During the previous fiscal year there was a profit of \$2,545.77 on the Mexican and Spanish-Filipino currency handled in the money-order business, caused by the different rates of exchange. The profits from the same source for the two months ending September 1 amounted to \$399.28.

Negotiations were again opened during the year for the inauguration of money-order exchanges between the Philippines, Singapore, Hongkong, and Japan, but so far we have been unable to agree upon the terms for the money-order conventions proposed, and hence arrangements are as yet incomplete.

REGISTRY BUSINESS.

Table K furnishes very complete information relative to the registry system. During the year 90,775 letters and 52,896 packages, upon which postage and registry fee were paid by stamps, were registered. The official registered mail for the year amounted to 43,823. Postmasters during the year received 99,819 registered letters and 97,020 parcels for delivery at their respective offices, and handled 101,414 pieces of registered mail in transit.

These figures show an increase of 17,109 in the number of letters registered, but a decrease of 10,935 in the number of parcels registered during the preceding year. The reduction in the number of parcels registered is explained by the order of the President of the United States discontinuing the privilege of Government employees sending gifts in the mails to the United States free of customs duties. This order became effective with mails arriving in the United States April 1, 1904.

There was also an increase of 16,578 in the number of pieces of official mail registered free. Officials of the insular government are very free to make use of the privilege of free registration conferred by Act 179 of the Philippine Commission. The work of this bureau is materially increased on this account, and it is believed that much of the matter sent in the registered mail by officials of the government might just as well be sent as ordinary mail.

The Government of the United States reimburses the senders of registered first-class mail lost while in the custody of the Post-Office Department for the value thereof, but not to exceed \$25 United States currency. Similar legislation has not as yet been enacted in the Philippine Islands, nor has it been recommended. The conditions here have, in my judgment, been too unsettled to justify the government guaranteeing indemnity for the value of lost registered mail. We do, however, undertake to collect from the bondsmen of

a postmaster or postal employee responsible for the loss of a registered article for the value of the contents. In this we have succeeded except in a few cases of postmasters bonded in the Union Surety and Guaranty Company, which company passed into the hands of a receiver before sufficient evidence of losses to justify demands upon the company could be made.

INTERISLAND MAIL TRANSPORTATION.

Interisland mail communication has been very materially improved during this year. In addition to quite regular service to a number of important points in the islands furnished by commercial steamers, the interisland army transports have been operated on more regular schedules than heretofore. The service of the coast-guard steamers, started just prior to the beginning of the fiscal year, has been very regular. Postal clerks, for the distribution of mail on board, were maintained on steamers of the coast-guard service. These clerks distributed during the year 504,850 letters and 208,500 pieces of other classes of mail matter. They also handled 9,977 pieces of registered mail. The total distance traveled by these clerks during the year was 182,685 miles.

Postal clerks are also operated upon the main line of the Manila and Dagupan Railway. These clerks distributed during the year 1,529,350 letters and 492,600 pieces of other mail. They also handled 15,043 registered articles and traveled 89,149 miles.

With a view to securing more definite information as to the weight of mails carried on the interisland service, all the principal post-offices in the islands were required to take the weight of all mails received or dispatched during the month of June.

These reports show that during this month the Manila post-office dispatched 3,259 pounds to ports on Laguna de Bay and received 738 pounds by means of army transport service boats, and dispatched 7,649 pounds and received 3,897 pounds by means of commercial boats. During the same month 3,207 pounds were dispatched to points on Manila Bay by means of naval boats and 3,286 pounds were received; 1,521 pounds were dispatched by means of the army transport service boats and 534 pounds were received; 3,830 pounds were dispatched by commercial boats and 1,235 pounds were received.

To other interisland points 10,927 pounds were dispatched and 4,738 pounds received by means of army transport service steamers; 17,964 pounds dispatched and 2,407 pounds received on cutters of the coast-guard service; 33,368 pounds were dispatched and 9,573 pounds were received on commercial steamers. Twelve thousand eight hundred and ninety-seven pounds were dispatched on the Manila and Dagupan Railway and 4,489 pounds were received from this line during the month of June.

These figures will show that more mail was received and dispatched at Manila by means of commercial steamers than on all classes of government transportation combined. Table M shows the number of mails received by and dispatched from the Manila post-office during the fiscal year, and Table K furnishes the same information relative to the other offices.

The inland transportation of mails has been materially extended and improved during the year. Tables E-1 and E-2 give complete

detailed information covering this subject. Prior to the close of the fiscal year this bureau had taken over complete charge of the transportation of mails between post-offices except in seven provinces. The transportation in these provinces will be taken up early in the fiscal year 1905.

MAIL COMMUNICATION WITH THE UNITED STATES AND FOREIGN COUNTRIES.

Table C shows the amount paid to each commercial steamer carrying mails to foreign ports. Table D shows the amount paid to the several foreign countries for the transportation of Philippine mails for the calendar year ending December 31, 1903. Tables N, O, and P give detailed information relative to mails exchanged by the Manila post-office with the United States, Honolulu, Guam, and United States ships in foreign ports, and with foreign countries.

From these tables it will be seen that during the year 59 mails were received from the United States, 17 by army transport and 42 by commercial liner via Hongkong or Nagasaki. They also show that 66 mails were dispatched to the United States, 14 by army transport and 52 by commercial liner via Yokohama, Nagasaki, or Hongkong. This is an average of one mail from the United States every six days and of a mail to the United States every five days.

This was an increase of 215 in the number of pouches of letters received from the United States, of 14 in the number of pouches of registers received, and a decrease of 544 in the number of sacks of paper mail received, and in mails dispatched to the United States there was a decrease of 340 pouches of letters, of 721 pouches of registered mail, and an increase of 1,096 sacks of paper mail over the preceding year.

Statistics relative to mails exchanged with foreign countries show a decrease of 33 mails received and an increase of 41 mails dispatched during the year, while there was an increase of 204,959 grams of letters and 1,620,121 grams of prints in the weight dispatched.

EXTENSIONS AND IMPROVEMENTS.

On July 1, 1903, there were but 213 established post-offices. During the year 179 new offices were established, 21 discontinued, and 20 reestablished, so that at the close of the year we had 391 post-offices. The intention is to establish a post-office at the seat of government in each organized municipality, and at such other places in the islands as may be necessary for the proper handling of the mails. This work was completed during the year in a number of provinces, but there remain other provinces in which as yet only a few post-offices have been established. We have pushed the work of establishing new post-offices and organizing as rapidly as the force of post-office inspectors permitted. The action of the Philippine Commission in limiting the number of post-offices that may be established during the fiscal year 1905 to 450 will make it impossible to complete this work during the current year, but it will be continued and offices established at the more important places until the maximum number allowed are in operation.

The Manila post-office was moved from the old location on the Escolta to the Fortin Building just before the close of the year. The

new quarters give more than double the working space for the handling and distribution of mails, as well as provide a larger and more convenient lobby for the use of the public. The new location on the south side of the Pasig River, between the Santa Cruz Bridge and the Bridge of Spain, is no doubt highly satisfactory to the public in general. The post-office is now in perhaps the most accessible place in the city, and with very few exceptions more convenient to everybody than it was at the old location.

The incoming mails are now delivered by launch at the back door of the post-office, and many of the outgoing mails are dispatched from the post-office direct to launches. This arrangement not only saves considerable labor, but secures a much quicker delivery of mails to the post-office and enables a later closing of outgoing mails than heretofore.

During the year two automatic postmarking and backstamping machines were installed in the Manila post-office. These machines materially expedite the handling of large mails, and at the same time perform the work of postmarking letters and canceling postage stamps and back stamping the incoming mail in a much more satisfactory manner than it can be done by hand.

The postal station which was established in the Manila custom-house was closed when the post-office was moved to the Fortin Building, and the assessment and collection of duties on mail packages, with the exception of those for regular importers, is now done at the main post-office by officers of the customs service.

The free-delivery service in the city of Manila continues to grow in popularity, notwithstanding the fact that during the month of May two of the carriers were arrested for robbing or tampering with the mails, and have since been convicted for the crimes committed.

The amount of postage collected in Manila from publishers and news agents, on publications admitted to the mails at second-class rates of postage, will amount to about ₱5,640, which is ₱395 less than was collected for the same purpose in the preceding year.

On February 21, 1903, the Postmaster-General of the United States issued an order to the effect that the provisions of the parcels-post conventions in force between the United States and other countries and colonies shall be held to apply to parcels for and from the Philippines, as well as to parcels for and from other parts of the United States. This gives the Philippine Islands the benefit of the parcels-post conventions of the United States with Germany, Mexico, and many of the South American countries.

On November 21, 1903, a parcels-post convention was concluded at Washington between the United States and Hongkong, and on July 1, 1904, a similar convention was concluded with Japan. These later conventions enable the postal administration of the Philippine Islands to exchange parcels with Hongkong and Japan up to a limit of 4 pounds 6 ounces in weight, and not exceeding \$50 United States currency in value.

CONCLUSION.

The acceptance of the United States postage stamps not overprinted "Philippines," and sold at United States post-offices, when mailed in the Philippines, and the acceptance of "Philippine" postage stamps on matter mailed in the United States, was dis-

continued October 1, 1903. This action was taken on protest of the United States Government because of the large amount of Philippine postage stamps used on mail matter deposited in United States post-offices. The discontinuance of this interchangeability worked little, if any, hardship upon any one. United States postage stamps were, by order of the Postmaster-General, acceptable for postage on matter mailed in the Philippines shortly after the American occupation, and at a time when there were but few post-offices in the islands, and little opportunity to purchase postage stamps outside of Manila or the larger military posts. With the establishment of a complete postal service throughout the islands, this arrangement was no longer necessary, and was therefore discontinued.

The plan of appointing Filipinos as postmasters at the smaller offices has continued during the year, even to the extent of making such appointments at the less important provincial capitals where the money-order business is transacted. These postmasters, as a rule, render very satisfactory service after they are given complete instructions. In fact, the Filipino postmasters cause this office less correspondence on the whole than do the American postmasters at the smaller offices. Furthermore, the insular auditor has several times informed me that the postal accounts of the Filipino postmasters are rendered in a more satisfactory manner than those of the American postmasters at the same class offices. These facts tend to verify the statement made in my last report, that as a general rule the Americans in the employ of other branches of the Government service sought and accepted appointments as postmasters to advance their personal interests, and not with a view of rendering satisfactory service.

The work of the clerks and employees in the post-office service has on the whole been highly satisfactory, and their duties have been performed with little or no complaint, notwithstanding the fact that by the provisions of Act 1040 their hours of labor were materially increased. This law requires six and one-half hours service each working day, but in the post-office service practically every employee is required to labor Saturday afternoons, Sundays and holidays. The minimum number of hours of labor required of a post-office clerk in the Manila post-office is 2,280 per annum, while in other offices the clerks who enjoy Saturday afternoons, Sundays, and holidays off duty, will perform but 1,892 hours.

At the time this act was under consideration prior to its passage, attention was called to the injustice that it would work on post-office clerks, and special provision for these clerks was requested, but was denied. In my judgment the law should permit the heads of bureaus to fix the hours of labor of clerks and employees required to perform Saturday afternoon, Sunday, and holiday service, so that the aggregate number of hours required in any one week or month will be no greater than for those who are exempt from duty at such times.

Even then a position requiring daily service and at irregular hours will not be as desirable as other positions with Saturday afternoons, Sundays, and holidays off duty.

Respectfully submitted.

C. M. COTTERMAN,
Director of Posts.

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- TABLE P.**—Statement of mails received from and dispatched to foreign countries by the Manila post-office during the fiscal year ending June 30, 1904.

TABLE A1.—Comparative statement of revenues for the fiscal years ending June 30, 1900 to 1904.

Item.	1900.	1901.	1902.	1903.	1904.
Stamp sales.....	P 228,178.36	P 233,182.96	P 238,418.40	P 248,414.36	P 224,354.61
Second-class postage.....	1,752.54	3,542.48	4,249.86	6,044.42	5,829.10
Miscellaneous.....	218.74	1,270.34	528.44	319.60	452.71
Box rents.....	5,546.12	7,669.48	9,552.40	10,121.50	12,780.68
Transfer from money order.....			22,925.54	26,464.52	24,142.34
Total.....	235,696.76	245,665.26	275,674.64	291,354.40	267,569.44
Total expenditures.....	196,410.10	318,657.42	269,171.64	462,764.82	512,506.26
Total revenues.....	235,696.76	245,665.26	275,674.64	291,354.40	267,569.44
Excess of expenditures over receipts.....		72,391.76	93,497.00	171,410.42	244,936.82
Excess of revenues over expenditures.....	39,286.66				

TABLE A2.—Comparative statement of expenditures for the fiscal years ending June 30, 1900 to 1904.

Item.	1900.	1901.	1902.	1903.	1904.
BUREAU OF POSTS.					
Salaries and wages.....		P 30,766.94	P 52,121.00	P 61,664.22	P 78,698.03
Traveling expenses:					
Post-office inspectors.....	P 904.48				7,461.62
Other employees.....	3,880.48				681.14
Total.....	4,784.96		1,115.80	2,989.32	8,142.76
Mail transportation:					
Inland.....	2,262.52	4,155.66		15,458.38	36,437.41
Sea.....		8,150.76		13,820.72	14,221.54
Foreign countries.....	7,941.98	41,960.08		19,486.40	17,129.76
Postal clerks.....				3,216.64	22,273.20
Total.....	10,204.50	54,266.50	30,982.02	51,982.14	90,061.91
Contingent expenses:					
Furniture.....				760.96	601.96
Office supplies.....				2,841.84	8,389.41
Postal scales.....				477.16	2,617.74
Postmarking and receiving stamps.....				1,175.46	889.15
Mail equipment.....				345.06	1,373.98
Mail locks, etc.....				364.00	1,094.67
Manufacturing stamped paper.....				1,216.08	1,872.32
Official envelopes.....				6,857.98	92.93
Telegrams.....				488.24	633.00
Safes.....				1,618.40	5,333.32
Miscellaneous.....	9,956.56	14,892.34	30,658.02	6,854.66	1,101.52
Total.....	9,956.56	14,892.34	30,658.02	22,999.84	24,000.00
Total bureau of posts.....	24,946.02	99,925.78	114,876.84	139,635.52	200,902.70
POST-OFFICE SERVICE.					
Salaries and wages:					
Postmasters.....		69,144.66	69,411.52	113,686.54	118,270.19
Clerks.....		127,507.42	157,972.20	177,442.88	165,353.37
Total.....	161,943.62	196,652.08	227,383.72	291,129.42	283,603.56
Contingent expenses:					
Rent.....					17,829.95
Light.....	8,821.34	18,304.68	19,775.52	19,237.88	2,740.87
Furniture.....					2,300.03
Repairs.....					89.04
Stamp agencies, Manila.....					336.00
Miscellaneous.....	729.12	3,174.48	7,135.56	12,762.00	4,704.11
Total.....	9,550.46	21,479.16	26,911.08	31,999.88	28,000.00
Total post-office service.....	171,494.08	218,131.24	254,294.80	323,129.30	311,603.56
Grand total.....	196,440.10	318,057.02	369,171.64	462,764.82	512,506.26

TABLE B.—Statement of appropriations and expenditures for the fiscal year ending June 30, 1904.

	Expended.	Appropriated.
BUREAU OF POSTS.		
Salaries and wages.....	P 78,698.03	P 79,200.00
Traveling expenses:		
Post-office inspectors.....	P 7,461.62	
Other employees.....	681.14	
Total.....	8,142.76	8,300.00
Mail transportation:		
Inland.....	36,437.41	
Sea.....	14,221.54	
Foreign countries.....	17,129.76	
Salaries postal clerks.....	22,273.20	
Total.....	90,061.91	91,400.00

TABLE B.—Statement of appropriations and expenditures for the fiscal year ending June 30, 1904—Continued.

		Expended.	Appropriated.
BUREAU OF POSTS—continued.			
Contingent expenses:			
Furniture.....	P 601.96		
Office supplies.....	8,389.41		
Postal scales.....	2,617.74		
Postmarking stamps.....	889.15		
Mail bags and repairs.....	1,373.98		
Mail locks and keys.....	1,094.67		
Manufacture postage stamps.....	1,872.32		
Official envelopes.....	92.93		
Telegrams.....	633.00		
Safes.....	5,333.32		
Miscellaneous.....	1,101.52		
		P 24,000.00	P 24,000.00
Total.....		200,902.70	202,900.00
POST-OFFICE SERVICE.			
Salaries and wages:			
Classified postmasters.....	P 62,008.22		
Clerks.....	161,754.07		
Unclassified postmasters.....	56,261.97		
Substitutes.....	3,579.30		
		283,603.56	299,000.00
Contingent expenses:			
Rent.....	17,829.95		
Light.....	2,740.87		
Furniture.....	2,300.03		
Repairs.....	89.04		
Stamp agencies.....	336.00		
Miscellaneous.....	4,704.11		
		28,000.00	28,000.00
Total.....		311,603.56	327,000.00
Grand total.....		512,506.20	530,500.00

TABLE C.—Statement of mails dispatched on commercial steamers to foreign ports during the fiscal year ending June 30, 1904, and amount paid for transportation.

First port of call and name of steamer.	Number of trips.	Number of United States bags.	Foreign letters, net weight.	Foreign prints, net weight.	Amount paid.
<i>From Manila.</i>					
LABUAN.			<i>Grams.</i>	<i>Grams.</i>	
Fernly.....	1		80	28	P 0.12
Kudat.....	1		100		.16
Petrarch.....	1		30	35	.04
SAIGON.					
Atlantis.....	1		28		.04
Bihn Ihnan.....	1		30	90	.06
Denteros.....	2		144	270	.26
Independent.....	1		30	70	.06
Juno.....	1		100		.16
Keim.....	1		45	50	.06
Legaspi.....	3		480	500	.82
M. Batan.....	1		40	120	.08
Magallanes.....	1		200		.30
Neal McLeod.....	2		70	80	.12
Pioneer.....	1		40		.06
Prosper.....	1		104	320	.22
Phuyen.....	1		10	40	.02
Vizcaya.....	1		40	120	.08
CALCUTTA.					
Coveyanna.....	1		268	1,199	.64

continued October 1, 1903. This action was taken on protest of the United States Government because of the large amount of Philippine postage stamps used on mail matter deposited in United States post-offices. The discontinuance of this interchangeability worked little, if any, hardship upon any one. United States postage stamps were, by order of the Postmaster-General, acceptable for postage on matter mailed in the Philippines shortly after the American occupation, and at a time when there were but few post-offices in the islands, and little opportunity to purchase postage stamps outside of Manila or the larger military posts. With the establishment of a complete postal service throughout the islands, this arrangement was no longer necessary, and was therefore discontinued.

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At the time this act was under consideration prior to its passage, attention was called to the injustice that it would work on post-office clerks, and special provision for these clerks was requested, but was denied. In my judgment the law should permit the heads of bureaus to fix the hours of labor of clerks and employees required to perform Saturday afternoon, Sunday, and holiday service, so that the aggregate number of hours required in any one week or month will be no greater than for those who are exempt from duty at such times.

Even then a position requiring daily service and at irregular hours will not be as desirable as other positions with Saturday afternoons, Sundays, and holidays off duty.

Respectfully submitted.

C. M. COTTERMAN,
Director of Posts.

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TABLE A1.—Comparative statement of revenues for the fiscal years ending June 30, 1900 to 1904.

Item.	1900.	1901.	1902.	1903.	1904.
Stamp sales.....	P 228, 178. 36	P 233, 182. 96	P 238, 418. 40	P 248, 414. 36	P 224, 354. 61
Second-class postage.....	1, 752. 54	3, 542. 48	4, 249. 86	6, 034. 42	5, 839. 10
Miscellaneous.....	218. 74	1, 270. 31	528. 44	319. 60	452. 71
Box rents.....	5, 546. 12	7, 669. 48	9, 552. 40	10, 121. 50	12, 780. 68
Transfer from money order.....			22, 925. 54	26, 464. 52	21, 142. 34
Total.....	235, 696. 76	245, 665. 26	275, 674. 64	291, 354. 40	267, 569. 44
Total expenditures.....	196, 440. 10	318, 057. 02	369, 171. 64	462, 764. 82	512, 506. 26
Total revenues.....	235, 696. 76	245, 665. 26	275, 674. 64	291, 354. 40	267, 569. 44
Excess of expenditures over receipts.....		72, 391. 76	93, 497. 00	171, 410. 42	244, 936. 82
Excess of revenues over expenditures.....	39, 256. 66				

TABLE A2.—Comparative statement of expenditures for the fiscal years ending June 30, 1900 to 1904.

Item.	1900.	1901.	1902.	1903.	1904.
BUREAU OF POSTS.					
Salaries and wages		P 30,766.94	P 52,121.00	P 61,664.22	P 78,698.03
Traveling expenses:					
Post-office inspectors	P 904.48				7,461.62
Other employees	3,880.48				681.14
Total	4,784.96		1,115.80	2,989.32	8,142.76
Mail transportation:					
Inland	2,262.52	4,155.66		15,458.38	36,437.41
Sea		8,150.76		13,820.72	14,221.54
Foreign countries	7,941.98	41,960.08		19,486.40	17,129.76
Postal clerks				3,216.64	22,273.20
Total	10,204.50	54,266.50	30,982.02	51,982.14	90,061.91
Contingent expenses:					
Furniture				760.96	601.96
Office supplies				2,841.84	8,389.41
Postal scales				477.16	2,617.74
Postmarking and receiving stamps				1,175.46	889.15
Mail equipment				345.06	1,373.98
Mail locks, etc.				264.00	1,094.67
Manufacturing stamped paper				1,216.08	1,872.32
Official envelopes				6,857.98	92.93
Telegrams				488.24	633.00
Safes				1,618.40	5,333.32
Miscellaneous	9,956.56	14,892.34	30,658.02	6,854.66	1,101.52
Total	9,956.56	14,892.34	30,658.02	22,999.84	24,000.00
Total bureau of posts	24,946.02	99,925.78	114,876.84	139,635.52	200,902.70
POST-OFFICE SERVICE.					
Salaries and wages:					
Postmasters		69,144.66	69,411.52	113,686.54	118,270.19
Clerks		127,507.42	157,972.20	177,442.88	165,353.37
Total		196,652.08	227,383.72	291,129.42	283,603.56
Contingent expenses:					
Rent					17,829.95
Light	8,821.34	18,304.68	19,775.52	19,237.88	2,740.87
Furniture					2,300.03
Repairs					89.04
Stamp agencies, Manila					336.00
Miscellaneous	729.12	3,174.48	7,135.56	12,762.00	4,704.11
Total	9,550.46	21,479.16	26,911.08	31,999.88	28,000.00
Total post-office service	171,494.08	218,131.24	254,294.80	323,129.30	311,603.56
Grand total	196,440.10	318,057.02	369,171.64	462,764.82	512,506.26

TABLE B.—Statement of appropriations and expenditures for the fiscal year ending June 30, 1904.

	Expended.	Appropriated.
BUREAU OF POSTS.		
Salaries and wages	P 78,698.03	P 79,200.00
Traveling expenses:		
Post-office inspectors	P 7,461.62	
Other employees	681.14	
Mail transportation:	8,142.76	8,300.00
Inland		
Sea		
Foreign countries		
Salaries postal clerks		
	90,061.91	91,400.00

TABLE B.—Statement of appropriations and expenditures for the fiscal year ending June 30, 1904—Continued.

	Expended.	Appropriated.
BUREAU OF POSTS—continued.		
Contingent expenses:		
Furniture.....	P 601.96	
Office supplies.....	8,389.41	
Postal scales.....	2,617.74	
Postmarking stamps.....	889.15	
Mail bags and repairs.....	1,373.98	
Mail locks and keys.....	1,094.67	
Manufacture postage stamps.....	1,872.32	
Official envelopes.....	92.93	
Telegrams.....	633.00	
Safes.....	5,333.32	
Miscellaneous.....	1,101.52	
	P 24,000.00	P 24,000.00
Total.....	200,902.70	202,900.00
POST-OFFICE SERVICE.		
Salaries and wages:		
Classified postmasters.....	P 62,008.22	
Clerks.....	101,754.07	
Unclassified postmasters.....	56,261.97	
Substitutes.....	3,579.30	
	283,603.56	299,600.00
Contingent expenses:		
Rent.....	17,829.95	
Light.....	2,740.87	
Furniture.....	2,300.03	
Repairs.....	89.04	
Stamp agencies.....	336.00	
Miscellaneous.....	4,704.11	
	28,000.00	28,000.00
Total.....	311,603.56	327,600.00
Grand total.....	512,506.20	530,500.00

TABLE C.—Statement of mails dispatched on commercial steamers to foreign ports during the fiscal year ending June 30, 1904, and amount paid for transportation.

First port of call and name of steamer.	Number of trips.	Number of United States bags.	Foreign letters, net weight.	Foreign prints, net weight.	Amount paid.
<i>From Manila.</i>					
LABUAN.					
Fernly.....	1		Grams. 80	Grams. 28	P 0.12
Kudat.....	1		100		.16
Petrarch.....	1		30	35	.04
SAIGON.					
Atlantis.....	1		28		.04
Bihn Ihnan.....	1		30	90	.06
Denteros.....	2		144	270	.26
Independent.....	1		30	70	.06
Juno.....	1		100		.16
Keim.....	1		45	50	.06
Legaspi.....	3		480	500	.82
M. Batan.....	1		40	120	.08
Magallanes.....	1		200		.30
Neal McLeod.....	2		70	80	.12
Pioneer.....	1		40		.06
Prosper.....	1		104	320	.22
Phuyen.....	1		10	40	.02
Vizcaya.....	1		40	120	.08
CALCUTTA.					
Coveyanna.....	1		268	1,199	.64

TABLE C.—Statement of mails dispatched on commercial steamers to foreign ports during the fiscal year ending June 30, 1904, and amount paid for transportation—Continued.

First port of call and name of steamer.	Number of trips.	Number of United States bags.	Foreign letters, net weight.	Foreign prints, net weight.	Amount paid.
<i>From Manila—Continued.</i>					
AMOY.					
			<i>Grams.</i>	<i>Grams.</i>	
Albenga	1		230	1,600	70.66
Bunuan	1		7,026	11,000	12.68
Kaifong	2		11,645	160	17.48
Perla	2		3,675		5.52
Sishan	2		5,978	2,230	9.40
Sontua	1		6,296	2,625	9.94
Wuchang	1		3,528	1,000	5.62
SHANGHAI.					
Arabia	2		1,605	13,700	5.06
Brigoria	1		2,720	26,500	9.22
Gulf of Venice	1		2,460	8,900	5.32
Knight Commander	1		6,309	22,800	13.88
Lydia	1		1,330	6,700	3.30
Nubia	1		1,610	1,700	1.24
Richmond Castle	1		1,170	7,500	3.20
St. Fillans	1		780	5,400	2.22
Segovia	1		1,000	5,800	2.62
Shimosa	1		4,238	1,166	6.58
MOJI.					
Lyra	1	42	6,410	16,521	34.82
YOKOHAMA.					
Airlee	1	40	4,098	7,383	47.58
Colobaria	1	180	21,416	59,650	223.70
Ikona	1	21	2,523	14,499	27.58
Itawa	1		591	600	1.00
Lowther Castle	1	3	1,656	1,700	5.80
Okla	2	103	8,621	7,054	117.28
Tencer	1		8,047	23,833	16.70
Umballa	1		816	110	1.24
Upda	1		1,816	4,880	3.66
AUSTRALIA.					
Chingtu	4		16,394	61,958	36.58
Changshaw	1		7,882	22,726	16.22
Eastern	2		8,891	24,182	18.04
Empire	3		7,816	18,771	15.36
Heath Craig	2		5,401	14,640	10.94
Heathbank	1		1,175	8,200	3.36
Guthrie	1		150		.22
Kasuga Maru	1		2,116	8,000	4.74
Kumano Maru	2		8,627	22,079	17.22
Orange Branch	2		8,320	26,602	17.64
Taiyuan	2		8,184	19,632	16.10
Tsinan	2		10,268	25,360	20.32
Yawata Maru	2		6,669	17,559	13.42
JAVA.					
Ajax	1		340	1,200	.76
Ferdene	1		52		.08
Ning Chow	1		180	2,000	.84
Telemachus	1		200	50	.30
SINGAPORE.					
Airlee	1		9,688	14,036	17.26
Alicante	3		168,455	652,014	379.16
Antonio Lopez	3		180,922	484,380	365.34
Cromarty	1		1,628	9,855	4.46
Colabaria	1		12,121	18,198	21.72
Chingmau	12		486,857	1,244,647	971.72
Denteros	1		5,217	80,664	23.46
Dora Bulte	1		1,240	7,181	3.26
Ikona	1		3,188	11,820	7.08
Indrawadi	3		5,623	25,093	13.30
Indramayo	2		49,980	90,020	92.42
Itinda	1		46,903	135,186	66.58
Jamaila	2		10,820	25,935	21.26
Isla de Luzon	3		170,663	574,426	367.42
Isla de Panny	4		270,476	873,760	575.22
Jason	1		16,687	95,444	43.54

TABLE C.—Statement of mails dispatched on commercial steamers to foreign ports during the fiscal year ending June 30, 1904, and amount paid for transportation—Continued.

First port of call and name of steamer.	Number of trips.	Number of United States bags.	Foreign letters, net weight.	Foreign prints, net weight.	Amount paid.
<i>From Manila—Continued.</i>					
SINGAPORE—continued.					
			<i>Grams.</i>	<i>Grams.</i>	
Lincolnshire.....	1		1,700	9,011	P4.30
Manila.....	1		16,198	29,634	30.04
Mayuno.....	1		1,611	6,880	3.76
Nippon.....	1		13,411	29,494	25.94
Palma.....	1		23,794	55,448	46.54
Rhipens.....	1		4,075	6,220	8.56
Satsuma.....	1		4,173	8,881	7.98
Shimosa.....	1		1,118	4,100	2.48
Singora.....	11		373,412	1,096,334	772.80
Triglaio.....	1		8,862	25,500	18.24
Ujinia.....	1		23,761	86,214	52.36
Ulysses.....	1		11,016	23,906	21.16
Umballa.....	1		376	3,053	1.16
Verona.....	2		36,716	69,756	68.00
HONGKONG.					
Armenia.....	1		3,426	10,100	7.10
Anhori.....	2		32,857	83,779	65.54
Australian.....	3	72	44,856	179,820	174.16
America Maru.....	1	127	2,496	5,400	131.78
Braemar.....	1		17,792	26,546	31.82
Changshaw.....	1	8	4,990	18,896	19.14
Chihili.....	2		19,811	27,608	35.08
Chenan.....	2		51,671	340,301	143.52
Chingtu.....	4		19,943	57,684	41.10
City of Peking.....	1		5,733	13,000	11.12
Coptic.....	2		12,520	23,467	23.34
Doric.....	1		5,155	18,955	11.40
Eastern.....	4		39,244	96,600	77.00
Empire.....	3		79,231	204,013	158.42
Gaelic.....	1	11	15,320	25,229	38.88
Hongkong Maru.....	1	54	5,641	21,635	66.66
Kasuga Maru.....	1		10,271	17,010	18.70
Kansu.....	2		55,158	84,220	99.08
Korea.....	1		31,239	85,920	63.52
Kumana Maru.....	2		18,433	25,179	32.52
Kalfong.....	14	53	258,625	580,522	553.56
Loongsang.....	25	441	515,439	1,116,847	1,433.82
Mongolia.....	1		6,177	17,100	12.58
Perla.....	3	37	46,963	95,049	125.86
Rohilla Maru.....	17	24	169,273	470,512	369.18
Rosetta Maru.....	18	212	219,844	565,699	651.50
Rubi.....	23	392	302,503	1,084,164	1,056.08
Sungkiang.....	16	118	212,291	427,624	519.40
Shawmut.....	1		4,595	18,732	10.52
Siberia.....	1	117	8,895	17,326	133.70
Tsinan.....	4	10	25,560	75,485	62.98
Tremont.....	3	37	26,930	125,483	101.74
Tiberius.....	1		2,995	11,500	6.72
Taiyuan.....	3		35,638	76,036	68.22
Taning.....	2		24,501	47,182	45.90
Wuchang.....	2		60,491	106,578	111.42
Yawata Maru.....	1		7,629	16,861	14.70
Yuengsang.....	3		26,492	72,915	53.86
Zafiro.....	20	115	283,105	580,615	632.32
	23	948	538,735	1,392,827	2,026.28
Total.....	365	3,168	5,425,110	14,593,867	14,136.48
<i>From Iloilo.</i>					
HONGKONG.					
Bing Thuan.....	1		840	1,650	1.58
Breid.....	1		810	750	1.36
Chenan.....	1		1,200	90	1.82
Elg.....	2		1,079	990	1.84
Eise.....	1		810		1.22
Hunan.....	1		1,680	1,920	2.90
Hupei.....	3		2,055	224	3.10
Kalfong.....	4		4,405	5,040	7.58
Kuengang.....	1		285	750	.56
Kungkuang.....	1		630	240	.98
M. Strewé.....	1		240		.36

TABLE C.—Statement of mails dispatched on commercial steamers to foreign ports during the fiscal year ending June 30, 1904, and amount paid for transportation—Continued.

First port of call and name of steamer.	Number of trips.	Number of United States bags.	Foreign letters, net weight.	Foreign prints, net weight.	Amount paid.
<i>From Iloilo—Continued.</i>					
HONGKONG—continued.					
			<i>Grams.</i>	<i>Grams.</i>	
Nanchang.....	1		910		₱1.36
Neal MacLeod.....	1		1,650		2.48
Perla.....	2		1,090		2.98
Pronto.....	1		480	285	.78
Quang Mam.....	1		810		1.22
Shansi.....	1		720		1.08
Tailoe.....	1		495		.74
Themis.....	1		322		.48
Wuchang.....	13		15,485	7,290	24.64
Zafiro.....	1		1,980	4,170	3.78
SHANGHAI.					
Amigo.....	1		48		.08
YOKOHAMA.					
Hausa.....	1		30		.04
Ohuyeng.....	1		105		.16
Taicheong.....	1		30		.04
Triumph.....	1		50		.08
Total.....	45		39,149	23,399	63.24
<i>From Cebu.</i>					
HONGKONG.					
Kaifong.....	1		90		.14
Newchang.....	1		240		.36
Perla.....	4		5,175	3,615	8.46
Shangai.....	1		1,712	270	2.62
Wuchang.....	1		345		.52
SINGAPORE.					
Bedouin.....	1		2,815	1,680	4.54
Total.....	9		10,377	5,565	16.64
<i>From Jolo.</i>					
SANDAKAN.					
Kudat.....	3		3,487	906	5.40
Namyang.....	3		1,020	56	1.52
Patani.....	3		3,345	5,839	6.16
Teresa.....	1		368	396	.62
Tienggann.....	1		553	85	.84
Total.....	11		8,773	7,282	14.54
Grand total.....	430	3,168	5,483,409	14,630,113	14,230.90

TABLE D.—Detailed statement of payments to foreign countries for transportation of Philippine mails during the fiscal year ending June 30, 1904.

Country.	Amount.	Country.	Amount.
Austria.....	₱16.56	India.....	₱3.00
Belgium.....	2,194.24	Singapore.....	185.89
France.....	6,555.84	United States.....	94.22
Germany.....	23.44		
Great Britain.....	816.46	Total.....	17,129.76
Hongkong.....	7,210.11		

TABLE E 1.—Statement of inland mail transportation between post-offices during the fiscal year ending June 30, 1904.

Route No.	Between what points.	Length of route.	Frequency of service.	Date of commencement.	Mode of transportation.	Total number of miles per annum.	Cost of service per annum.	Actual number of miles mail carried.	Amount paid.
		<i>Miles.</i>							
501	Bangued (Abra)—Vigan, I. S.	15	Weekly.	July 1, 1903	Boat.	1,560	P 354.00	1,560	P 295.00
527	Legaspi—Ligao, Albay, via Albay, Daraga, Camalig, and Guinobatan.	15	Triweekly.	do.	Wagon.	4,680	1,200.00	4,320	1,288.33
529	Ligao—Polangui, via Oas.	6	do.	Dec. 16, 1903	Foot messenger.	1,872	240.00	1,020	130.00
530	Legaspi—Tivi, via Libog, Bacacay, Mallipot, Tabaco, and Masinao.	22	Semiweekly.	Mar. 1, 1904	do.	4,576	480.00	1,496	160.00
531	Guinobatan—Jovellar.	10	Triweekly.	May 17, 1904	do.	3,120	120.00	400	14.67
532	Legaspi—Albay.	23	Daily.	May 23, 1904	do.	1,460	144.00	156	15.20
551	Nueva Caceres—Iriga, via Pila and Bosc.	23	Semiweekly.	July 1, 1903	do.	4,784	520.00	4,784	370.00
553	San José—Pila, via Tigaon.	20	Weekly.	do.	do.	2,080	360.00	520	84.78
601	Orton—Dinalupitan, via Balanga, Abucay, Mabatang, Samal, and Orani.	17	Triweekly.	do.	Horse.	5,304	840.00	5,304	840.00
627	Batangas—Neaughu, via Bauan, Taal, Calaca, and Balayan.	28	Semiweekly.	Apr. 15, 1904	do.	5,824	1,132.00	1,272	220.80
628	Batangas—Rosario, via Ibaan.	12	do.	June 1, 1904	do.	2,496	381.00	192	32.00
630	Cuenca—Batangas.	8	do.	June 20, 1904	Foot messenger.	1,634	60.00	18	6.67
651	Baguio—San Fernando, Union.	20	Irregular.	July 1, 1904	do.	7,904	do.	7,904	9.32
652	Dagupan—Twin Peaks, via Mangaldan, Manaoag, and Pozo Rubio.	40	Triweekly.	July 1, 1903	Constabulary pack train.	14,352	3,120.00	13,280	3,439.42
653	Twin Peaks—Baguio.	15	do.	Feb. 2, 1904	Foot messenger.	4,680	621.00	2,442	508.00
702	Malolos—Baling.	10	Daily.	July 1, 1903	Wagon.	7,300	960.00	7,300	960.00
703	Malolos—Hagonoy.	6	6 times per week.	do.	Foot messenger.	3,744	240.00	3,744	240.00
728	Alcala—Cauayan, via Tuguegarao.	115	4 times per month, Alcala to Tuguegarao, 2 times per month, Alcala to Cauayan.	Apr. 1, 1904	Boat.	7,920	5,400.00	1,980	1,333.50
729	Enrile—Tuguegarao.	4	Weekly.	May 9, 1904	Foot messenger.	416	96.00	64	13.83
731	Peta Blanca—Tuguegarao.	10	do.	June 1, 1904	do.	1,040	60.00	80	5.00
732	Alcala—Pat, via Santo Niño.	8	do.	June 7, 1904	do.	832	96.00	48	6.40
733	Pat—Tucoc, via Maunanan.	23	4 times per month.	June 14, 1904	Horse.	2,208	360.00	138	17.00
776	Appari—Alcala.	50	do.	do.	Coast-guard launch sent.	4,800	(^a)	4,800	.....
777	Cavite—Bacoor.	2	Daily.	July 1, 1903	Boat.	208	264.00	208	252.62
	Nalc—Maragondon.	4	Triweekly.	do.	Foot messenger.	1,248	180.00	1,248	180.00

^a Gratuitous.

TABLE E 1.—Statement of inland mail transportation between post-offices during the fiscal year ending June 30, 1904.—Continued.

Route No.	Between what points.	Length of route.	Frequency of service.	Date of commencement.	Mode of transportation.	Total number of miles per annum.	Cost of service per annum.	Actual number of miles mail carried.	Amount paid.
778	Rosario—San Francisco.	<i>Miles.</i>	6 times per week.	July 1, 1903	Foot messenger.	1,560	₱ 120.00	1,170	₱ 90.00
779	Santa Cruz—San Francisco.	3	do	Nov. 5, 1903	do.	1,872	144.00	1,236	94.40
780	Sac—Indang.	12	Triweekly.	Dec. 16, 1903	do.	3,744	156.00	2,040	83.00
781	Carmona—Bisan.	3	Semiweekly.	Apr. 30, 1904	do.	624	72.00	96	10.80
782	Bacoor—Imus.	8	Daily.	May 8, 1904	do.	5,840	180.00	848	26.50
783	Silang—Indang.	8	Triweekly.	May 16, 1904	do.	5,816	144.00	320	24.00
784	Indang—Alonso.	4	do	June 1, 1904	do.	1,248	96.00	104	8.00
785	Imus—Silang.	10	Daily.	do	Foot messenger (military).	7,390	(9)	600	.....
786	Cavite—San Francisco.	8	do	do	Wagon (military).	5,840	(9)	5,840	112.50
787	Cebu—Dumanjug.	43	Weekly.	Nov. 16, 1903	Foot messenger.	4,472	180.00	2,838	2,080.00
822	Laoag—Salomague; Badoc—Cebu, via San Nicolas and Cebu.	30	Semiweekly.	July 1, 1903	Bull cart.	6,240	2,080.00	6,240	.....
827	Laoag—Dingras, via San Miguel and Piddig.	12	Triweekly.	Apr. 1, 1904	Foot messenger.	3,844	144.00	936	36.00
829	Laoag—Pastigui, via Bacarra.	8	Semiweekly.	Apr. 11, 1904	do.	1,664	144.00	368	32.00
853	Vigan—Salomague, via Lapo, Magalang, and Santo Domingo.	18	do.	July 1, 1903	Bull cart.	3,744	728.00	3,744	714.00
854	Vigan—San Esteban, via Narvaican and Santa Maria.	18	do.	do.	do.	3,744	728.00	3,744	693.00
855	San Esteban—Candon.	8	do	do	Foot messenger.	1,664	300.00	1,664	282.92
857	Candon—Bangar, via Santa Cruz, Santa Lucia, and Tugudin.	22	do	Apr. 1, 1904	Horse.	4,576	360.00	1,144	90.00
901	Echague—Cauayan, via Angadaman.	16	Weekly.	do	do.	1,664	208.00	416	52.00
902	Cabagan Nuevo—Santo Tomas, via Cabagab Viejo and Santa Maria.	10	do.	May 19, 1904	Foot messenger.	1,664	180.00	224	21.00
903	Naguilian—Gamu.	4	do	May 23, 1904	do.	416	60.00	48	6.33
920	Bay—San Pablo, via Culanang.	8	Triweekly.	July 1, 1903	do.	2,496	240.00	2,496	240.00
933	Santa Cruz—Luban, via Magdalenas and Malayjay.	18	Semiweekly.	Mar. 14, 1904	Horse.	3,744	1,300.00	1,162	356.67
934	Pasasan—Luisina.	8	do	Apr. 1, 1904	Foot messenger.	1,664	120.00	416	30.00
935	Santa Cruz—Lumban, via Pasasan.	5 1/2	Daily to Pasasan; tri-weekly to Lumban.	do	do.	2,970	130.00	741	45.00
936	Lilio—Nagawlang.	2	Semiweekly.	Mar. 28, 1904	do.	416	72.00	112	18.00
937	Nagawlang—San Pablo.	6	do	do	do.	1,248	168.00	336	43.40
938	Sinloan—Pangil.	3	do	Mar. 1, 1904	do.	1,624	48.00	210	16.00
939	Pila—Santa Cruz.	8	Triweekly.	May 1, 1904	do.	1,872	96.00	120	16.00
940	Pangil—Paete.	3	do	June 1, 1904	do.	624	156.00	78	6.93
941	Sinloan—Mabitac.	2	Semiweekly.	Apr. 1, 1904	do.	416	24.00	104	6.00

943	Colamba-Batangas, via Santo Tomas, Tanauan, Lipa, and San José.	35	Triweekly	June 1, 1904	Wagon (military)	10, 920	(c)	10, 920
951	San Fernando, Union-Santo Tomas, via Bauang, Aringay, and Agoo.	20	do	Jan. 1, 1904	Bull cart.	6, 240	720.00	3, 120
952	San Fernando, Union-Bangar, via San Juan, Buenotan, and Namacpacan.	18	do	do	do	5, 616	720.00	2, 808
953	Balaog-Namacpacan.	3	do	Feb. 8, 1904	Foot messenger	936	120.00	47.66
954	Naguilian-Baog.	3	do	June 1, 1904	do	2, 496	180.00	15.00
955	Cervantes-San Esteban	32	Weekly	June 1, 1903	Horse	3, 328	900.00	3, 328
956	Cervantes-Bontoc.	20	do	Oct. 15, 1903	Foot messenger	2, 180	80.00	2, 180
957	San Jacinto-Talisay, via San Fernando.	11	do	May 16, 1904	do	1, 144	180.00	154
958	Masbate-Uson, via Mobo.	18	do	do	Horse	1, 872	240.00	252
959	Masbate-Talisay (Ticao).	10	do	May 25, 1904	Boat	1, 040	300.00	30.00
960	Uson-Cataingan.	18	do	May 16, 1904	Horse	1, 872	180.00	252
961	Masbate-Milagros.	10	do	June 9, 1904	do	1, 040	240.00	34.67
962	Milagros-Pulandita.	35	do	June 11, 1904	do	3, 640	240.00	210
963	Umingan-Carranglan, via San José and Puncan.	24	do	Feb. 16, 1904	do	2, 496	520.00	960
964	San Isidro-San Antonio; San Isidro-Peñaranda, via Gapan.	6	Semiweekly	May 1, 1904	Foot messenger	1, 248	168.00	28.00
965	Cabanatuan-San José, via Talavera.	22	do	May 21, 1904	Horse	4, 576	240.00	264
966	San Juan-Pura.	6	do	May 23, 1904	Foot messenger	1, 872	96.00	144
967	Cuyapo-Moncado.	12	Triweekly	June 16, 1904	do	2, 196	144.00	6.00
968	Bongabon-Cabanatuan.	14	Semiweekly	June 12, 1904	do	2, 912	120.00	168
969	Cabanatuan-Alaga.	7	do	do	do	1, 456	96.00	84
970	Alaga-Licab.	5	do	June 13, 1904	do	1, 040	96.00	60
971	San Isidro-Cabanatuan.	35	do	July 1, 1903	Wagon (military)	2, 496	(^a)	2, 496
972	Bayombong-Carranglan, via Bambang and Dupax.	12	Weekly	Feb. 15, 1904	Horse	3, 640	620.00	1, 400
973	Solano-Bayombong.	4	do	Apr. 16, 1904	Foot messenger	416	104.00	88
974	Bagabag-Bayombong.	11	do	May 16, 1904	do	1, 144	176.00	154
975	San Fernando-Guagua, via Bagabag.	8	Daily	July 1, 1903	Wagon (carromata).	5, 840	780.00	5, 840
976	Guagua-Lubao.	3	6 times per week	do	Foot messenger	1, 878	144.00	1, 878
977	San Fernando-San Isidro, via Mexico, Santa Ana, and Arayat.	28	Triweekly	Feb. 15, 1904	Wagon (carromata).	8, 736	1, 560.00	4, 856
978	Angles-Porac.	7	Daily	Dec. 1, 1903	Foot messenger	5, 110	96.00	1, 148
979	Calumpit-Candaba, via San Luis.	14	Triweekly	Mar. 1, 1904	Boat	4, 368	360.00	1, 484
980	Macabebe-Calumpit.	3	Daily	May 15, 1904	Foot messenger	2, 190	60.00	276
981	Magalan-Angles.	7	Triweekly	May 3, 1904	do	2, 184	120.00	364
982	Santa Rita-Bacolor.	3	6 times per week	June 8, 1904	do	1, 872	180.00	120
983	Dugupan-Lingayen.	6	Daily	July 1, 1903	Boat	4, 380	720.00	4, 380
984	Pozorrublo-Binalonan.	12	Triweekly	Aug. 15, 1903	Foot messenger	2, 496	312.00	1, 472
985	Uman-Tayug, via San Quintin.	12	Semiweekly	Feb. 22, 1904	do	2, 496	260.00	1, 912

a Gratuitous.

TABLE E 1.—Statement of inland mail transportation between post-offices during the fiscal year ending June 30, 1904—Continued.

Route No.	Between what points.	Length of route.	Frequency of service.	Date of commencement.	Mode of transportation.	Total number of miles per annum.	Cost of service per annum.	Actual number of miles mail carried.	Amount paid.
	<i>Miles.</i>								
1230	Urdaneta—Binalonan.....	8	Triweekly	Feb. 1, 1904	Foot messenger	2,496	P 312.00	1,040	P 128.00
1231	Bautista—Umingan, via Alcala and Rosales.....	26	do.	Feb. 19, 1904	Horse.....	8,112	780.00	2,964	275.00
1234	Alaminos—Abda.....	8	Weekly	May 1, 1904	Boat.....	832	(<i>c</i>)	64	
1245	Lingayen—Infanta, via Sual, Alaminos, and San Isidro.....	42	Triweekly	do.	Horse.....	10,816	1,200.00	1,788	210.00
1246	Lingayen—Mangatarem, via Salsu.....	13	Semiweekly	do.	Foot messenger.....	2,704	300.00	468	50.00
1237	San Isidro—Bolinao, via Agno and Bani.....	30	do.	do.	Horse.....	6,240	780.00	1,050	130.00
1238	Binnidey—Lingayen.....	3	Daily except Sunday	do.	Foot messenger.....	1,872	120.00	312	14.00
1239	San Fabian—Mangaldan.....	5	Triweekly	do.	do.	1,560	78.00	190	13.00
1240	Asingan—Binalonan.....	8	do.	June 1, 1904	do.	2,496	150.00	258	15.00
1277	Manila—Paradique, via Pasay.....	6	Semiweekly	July 1, 1903	do.	1,248	120.00	1,248	99.27
1278	Malabon—Caloocan.....	2	Daily	do.	do.	1,460	96.00	1,460	96.00
1279	Manila—San Pedro Macati.....	4	Triweekly	Jan. 27, 1904	do.	1,248	96.00	1,576	38.13
1280	Manila—San Felipe Neri.....	4	Semiweekly	May 6, 1904	do.	832	96.00	128	13.33
1281	Pasig—Taytay.....	6	Triweekly	May 12, 1904	do.	2,808	240.00	441	32.67
1282	Tanay—Pililla.....	4	do.	May 16, 1904	do.	1,248	60.00	160	7.50
1328	Catbalogan—Villa Real, via Wright and Calbiga.....	26	Weekly	Mar. 7, 1904	Boat.....	2,704	300.00	936	41.77
1329	Borongan—Florente.....	16	do.	Feb. 18, 1904	Foot messenger.....	1,664	144.00	640	48.00
1330	Allen—Capul.....	4	do.	Mar. 4, 1904	{ Boat..... Foot messenger.....	1,664	180.00	576	58.50
1331	Allen—Lavazaro.....	16	do.	Feb. 16, 1904	do.	2,288	240.00	880	90.00
1332	Laigan—Catubig, via Palapog.....	30	do.	Mar. 14, 1904	Boat.....	3,120	300.00	960	89.17
1333	Tacloban—Pambujan.....	32	Triweekly	May 1, 1904	Foot messenger.....	2,304	300.00	384	50.00
1404	Borongan—Oras, via Taft.....	10	do.	June 1, 1904	do.	1,872	96.00	156	8.00
1405	Concepcion—Capas.....	12	do.	do.	do.	3,120	144.00	260	13.50
1428	Atimonan—Lopez.....	10	Weekly	July 1, 1903	do.	1,248	360.00	1,248	250.00
1429	Atimonan—Lagunianoc.....	8	do.	do.	do.	832	260.00	832	240.00
1430	Lucena—Mulaney, via Lagulimanoc, Potogon, and Catanauan.....	65	do.	do.	Boat.....	6,760	1,140.00	6,760	912.50
1431	Lucena—Tiaoang, via Sariaya.....	20	Semiweekly	do.	Foot messenger.....	2,808	180.00	2,808	180.00
1432	Lucena—Lucban.....	15	do.	Nov. 1, 1903	Horse.....	3,120	360.00	2,190	100.00
1433	Atimonan—Mauban.....	18	Weekly	Aug. 1, 1903	do.	1,872	360.00	1,752	150.00
1434	Santa Cruz—Boac, via Mogpog.....	12	do.	Feb. 3, 1904	Foot messenger.....	1,248	260.00	528	95.00

1435	Lucena—Pachino.....	\$	Semiweekly.....	May 21, 1904.....	do.....	1,664	120.00	192	13.33
1436	Mauban—Lubuan, via Sampaloc.....	10	.....do.....	June 1, 1904.....	.....do.....	2,080	192.00	180	16.00
1451	Iba—Subic, via San Marcelino, San Narciso and Botolan.....	38	4 times per month.....	July 1, 1903.....	Horse.....	3,648	1,920.00	2,888	1,480.00
1453	Masinloc—Iba.....	16	Weekly.....	June 1, 1904.....	Foot messenger.....	1,664	200.00	160	25.00
1454	Masinloc—Santa Cruz.....	14	.....do.....	.....do.....	.....do.....	1,456	180.00	140	8.75
1477	Iligan—Camp Overton.....	3	Daily.....	Apr. 14, 1904.....	Boat.....	2,190	180.00	468	38.50
Grand total.....						374,270	48,518.00	181,116	26,219.33

a Gratuities.

TABLE E 1.—Statement of inland mail transportation between post-offices during the fiscal year ending June 30, 1904—Continued.

Route No.	Between what points.	Length of route.	Frequency of service.	Date of commencement.	Mode of transportation.	Total number of miles per annum.	Cost of service per annum.	Actual number of miles mail carried.	Amount paid.
<i>Miles.</i>									
1230	Urdaneta—Binalonan.....	8	Triweekly	Feb. 1, 1904	Foot messenger.	2,496	P 312.00	1,040	P 128.00
1231	Bautista—Umingan, via Alcala and Rosales.....	28	do.	Feb. 10, 1904	Horse.	8,112	780.00	2,964	275.00
1234	Alamidos—Amla.....	8	Weekly	May 1, 1904	Boat.	872	(^a)	64	.....
1235	Lingayen—Infanta, via Sual, Alaminos, and San Isidro.....	42	Triweekly	do.	Horse.	10,816	1,200.00	1,788	210.00
1236	Lingayen—Mangatarem, via Sabana.....	13	Semiweekly	do.	Foot messenger.	2,704	300.00	468	50.00
1237	San Isidro—Bolinao, via Agno and Bani.....	30	do.	do.	Horse.	6,240	780.00	1,080	180.00
1238	Binaluey—Lingayen.....	3	Daily except Sunday	do.	Foot messenger.	1,872	120.00	312	14.00
1239	San Fabian—Mangaldan.....	5	Triweekly	do.	do.	1,560	78.00	190	13.00
1240	Asingan—Binalonan.....	8	do.	June 1, 1904	do.	2,496	180.00	258	15.00
1277	Manila—Parralague, via Pasay.....	6	Semiweekly	July 1, 1903	do.	1,218	120.00	1,218	99.27
1278	Makabon—Calabacan.....	2	Daily	do.	do.	1,460	96.00	1,460	96.00
1279	Manila—San Pedro Macati.....	4	Triweekly	Jan. 27, 1904	do.	1,218	96.00	1,576	38.13
1280	Manila—San Felipe Nori.....	4	Semiweekly	May 6, 1904	do.	832	96.00	128	13.33
1281	Pasig—Taytay.....	3	Triweekly	May 12, 1904	do.	2,898	240.00	441	32.67
1282	Taray—Pillila.....	4	do.	May 16, 1904	do.	1,248	60.00	160	7.50
1283	Cutbalogan—Villa Real, via Wright and Calonge.....	26	Weekly	Mar. 7, 1904	Boat.	2,704	300.00	936	41.77
1320	Borongan—Diorrente.....	16	do.	Feb. 18, 1904	Foot messenger.	1,664	144.00	640	48.00
1330	Allen—Aapul.....	12	do.	Mar. 4, 1904	{ Boat Foot messenger.	1,664	180.00	576	58.50
1331	Allen—Lavazaro.....	4	do.	do.	do.	2,288	240.00	880	90.00
1332	Lagunan—Catubig, via Palapog.....	16	do.	Feb. 16, 1904	do.	3,120	300.00	960	89.17
1333	Tuctuban—Pambujan.....	32	do.	Mar. 14, 1904	Foot messenger.	2,304	300.00	384	38.1
1343	Borongan—Dinas, via Basey.....	30	Triweekly	May 1, 1904	do.	1,872	96.00	156	8.00
1404	Concepcion—Capes.....	10	do.	June 1, 1904	do.	3,120	144.00	260	13.50
1405	Bavambang—Camiling.....	12	Weekly	do.	do.	1,218	360.00	1,248	250.00
1428	Atimonan—Lopez.....	8	do.	July 1, 1903	do.	832	260.00	832	240.00
1429	Atimonan—Laguimane.....	8	do.	do.	do.	6,760	1,140.00	6,760	912.50
1430	Lucena—Mulaney, via Lagulimanoc, Potogon, and Catananan.....	65	do.	do.	Boat.	2,898	180.00	2,898	180.00
1431	Lucena—Taoang, via Suria, via.....	20	Semiweekly	Nov. 1, 1903	Foot messenger.	3,120	360.00	2,100	100.00
1432	Lucena—Lucban.....	15	do.	do.	Horse.	1,872	360.00	2,752	150.00
1433	Atimonan—Mauban.....	18	Weekly	Aug. 1, 1903	do.	1,872	260.00	528	95.00
1434	Santa Cruz—Boac, via Mogpog.....	12	do.	Feb. 3, 1904	Foot messenger.	1,248	260.00	.....	.....

1435	Lucena—Pagbilao.....	S	Semiweekly.....	May 21, 1904	do.....	1,664	120.00	192	13.33
1436	Mauban—Luchan, via Sumpaloc.....	10	do.....	June 1, 1904	do.....	2,680	152.00	180	16.00
1451	Iba—Subic, via San Marcelino, San Narciso and Botolan.....	38	4 times per month.....	July 1, 1903	Horse.....	3,648	1,920.00	2,888	1,480.00
1453	Masinloc—Iba.....	16	Weekly.....	June 1, 1904	Foot messenger.....	1,664	300.00	180	25.00
1454	Masinloc—Santa Cruz.....	14	do.....	do.....	do.....	1,456	180.00	140	3.75
1477	Iligan—Camp Overton.....	3	Daily.....	Apr. 14, 1904	Boat.....	2,180	180.00	468	38.50
	Grand total.....					374,270	48,518.00	181,116	26,219.33

a Gratuitous.

TABLE E 2.—Statement of inland mail transportation between post-offices and boats and between post-offices and railroad stations during the fiscal year ending June 30, 1904.

No.	Post-office.	Date of commencement.	Amount authorized per annum.	Amount paid.
526	Legaspi, Albay.....	July 1, 1903	P200.00	P148.76
528	Tabaco, Albay.....	Oct. 1, 1903	48.00	36.00
552	Nueva Caceres.....	do.....	300.00	44.80
554	Dact, Ambos Camarines.....	Nov. 1, 1903	180.00	120.80
576	San José, Antique.....	July 1, 1903	120.00	2.40
626	Batangas, Batangas.....	Feb. 7, 1904	432.00	171.60
701	Malolos, Bulacan.....	July 1, 1903	365.00	366.00
704	Bulacan, Bulacan.....	Oct. 24, 1903	480.00	90.00
705	Calumpit, Bulacan.....	Jan. 1, 1904	120.00	58.32
726	Tuguegarao.....	July 1, 1903	80.00	72.76
727	Apatti, Cagayan.....	Oct. 1, 1903	240.00	139.28
751	Capiz, Capiz.....	July 1, 1903	180.00	166.53
752	Calivo, Capiz.....	do.....	240.00	240.00
801	Cebu, Cebu.....	do.....	240.00	261.34
826	Laog, Ilocos Norte.....	Oct. 1, 1903	200.00	52.93
851	Vigan, Ilocos Sur.....	July 1, 1903	360.00	165.00
852	Salomague, Ilocos Sur.....	do.....	500.00	157.65
856	San Esteban, Ilocos Sur.....	Oct. 1, 1903	60.00	45.00
876	Buenavista, Iloilo.....	July 1, 1903	144.00	90.00
877	Iloilo, Iloilo.....	May 1, 1904	192.00	32.00
926	Santa Cruz, Laguna.....	July 1, 1903	180.00	180.00
927	Calamba, Laguna.....	do.....	60.00	60.00
928	Bay, Laguna.....	do.....	180.00	180.00
930	Bifan, Laguna.....	Oct. 1, 1903	60.00	45.00
931	Cabugao, Laguna.....	Sept. 1, 1903	60.00	27.50
932	Santo Rosa, Laguna.....	Jan. 1, 1904	96.00	48.00
954	San Fernando, Union.....	May 1, 1904	180.00	90.83
1001	Tacloban.....	July 1, 1904	72.00	130.49
1002	Ormoc, Leyte.....	do.....	60.00	60.00
1003	Maasin, Leyte.....	Oct. 1, 1903	60.00	45.00
1076	Cagayan, Mindanao.....	July 1, 1903	240.00	120.00
1126	Dumaguete.....	do.....	120.00	96.00
1127	Bais, Negros Oriental.....	Jan. 1, 1904	60.00	30.00
1203	Angeles, Pampanga.....	Oct. 1, 1903	180.00	132.00
1207	Apalit, Pampanga.....	Mar. 1, 1904	120.00	40.00
1208	San Fernando, Pampanga.....	Feb. 1, 1904	168.00	70.00
1226	Dagupan, Pangasinan.....	July 1, 1903	180.00	180.00
1231	Bautista, Pangasinan.....	Feb. 1, 1904	120.00	50.00
1232	Calasiao, Pangasinan.....	do.....	96.00	40.00
1276	Pasig, Rizal.....	July 1, 1903	120.00	117.00
1326	Catbalogan.....	do.....	180.00	178.04
1327	Calbayog.....	do.....	360.00	120.00
1351	Sorsogon.....	do.....	120.00	160.83
1376	Surigao, Surigao.....	do.....	96.00	96.00
1401	Tarlac, Tarlac.....	do.....	180.00	180.00
1401	Paniqui.....	Dec. 1, 1903	96.00	24.00
1403	Pura, Tarlac.....	May 1, 1904	60.00	10.60
1426	Lucena, Tayabas.....	July 1, 1903	480.00	435.00
1427	Boac, Tayabas.....	do.....	180.00	34.22
1452	Olongapo, Zambales.....	Oct. 1, 1903	120.00	90.00
1476	Iligan, Moro.....	Mar. 24, 1904	120.00	15.00
1501	Manila.....		5,200.00	4,670.37
Total.....			14,285.00	10,218.08

TABLE F 1.—Statement of articles received and disposed of in the dead-letter office during the fiscal year ending June 30, 1904.

Disposition made.	Registered letters.	Ordinary letters.	Packages.	Total.
Returned to United States.....	290	11,438	245	11,982
Returned to foreign countries.....	549	3,484	45	4,078
Request matter returned to senders in the Philippines.....	467	3,868	221	4,556
Opened and returned to senders.....		10,777	46	10,823
Containing money, drafts, stamps, etc., returned to senders.....		86	107	193
Destroyed.....	11	7,065	233	7,309
Filed, containing money, drafts, stamps, etc.....		32		32
Filed, containing other valuables on hand June 30, 1904.....	56	19	95	170
Total accounted for.....	1,382	36,769	992	39,143

TABLE F 2.—Condition of files June 30, 1904.

Articles.	On file June 30, 1903.	Filed during year.	Total to be ac- counted for.	Removed during year.	On file June 30, 1904.	Total ac- counted for.
Registered letters and packages.....	46	110	156	38	118	156
Letters containing money, drafts, stamps, etc.....	18	32	50	22	28	50
Letters and packages containing other valuables.....	34	164	198	33	165	198
Total.....	98	306	404	93	311	404

Amount of money taken from letters on file more than one year, and turned into the postal revenues, P 18.86.

TABLE G.—Detailed statement of articles received from foreign countries and offices by the dead-letter office, bureau of posts, during the fiscal year ending June 30, 1904.

From—	Regis- tered articles.	Ordinary letters.	Ordinary packages.	Total.
Argentina.....		8		8
Canada.....		6		6
Ceylon.....	6	14	1	21
China:				
Hongkong.....	1	515	37	553
Shanghai.....	18	100		118
Cuba.....		16		16
Great Britain.....	2	125	5	132
Hawaii.....		44	1	45
India.....	4	22	3	29
Japan (Nagasaki).....		45	2	47
Java.....	1			1
Mexico.....	3	14		17
New South Wales.....		28		28
New Zealand.....		2		2
Porto Rico.....		3	2	5
Queensland.....		7		7
Roumania.....	2	1		3
Spain.....	13	168	42	223
Straits Settlements.....		63		63
Tasmania.....		1		1
Total.....	50	1,182	93	1,325
United States.....	399	5,127	469	5,985
Grand total.....	449	6,309	552	7,310

TABLE H.—Detailed statement of articles returned to foreign countries and offices by the dead-letter office, bureau of posts, during the fiscal year ending June 30, 1904.

To—	Regis- tered articles.	Ordinary letters.	Ordinary packages.	Total.
Algiers.....		1		1
Argentina.....	5	7		12
Austria.....	16	44	6	66
Barbados, West Indies.....		1		1
Bermuda.....		1		1
Belgium.....	4	36		40
Brazil.....		7		7
Canada.....	2	83	3	88
Cape Colony.....		5		5
Caroline Islands.....	1	1		2
Ceylon.....	3	18	1	22
Chile.....		8		8
China:				
Amoy.....	48	25	1	74
Hongkong.....	25	231	6	262
Peking.....	29	40		69
British post-office, Shanghai.....	5	16		21
French postal agent, Shanghai.....	1	7		8
United States postal agency, Shanghai.....	21	89	3	113
Cochin China.....	1	4		5
Cuba.....	1	10		11

TABLE II.—*Detailed statement of articles returned to foreign countries and offices by the dead-letter office, bureau of posts, during the fiscal year ending June 30, 1904—Cont'd.*

To—	Registered articles.	Ordinary letters.	Ordinary packages.	Total.
Denmark.....	1	14		15
Egypt.....	6	22		28
Fernando.....	1			1
France.....	41	161	6	208
Germany.....	24	795	3	822
Great Britain.....	12	359	1	372
Greece.....	9	7		16
Guam.....	1	9		10
Guatemala.....	2	1		3
Hawaii.....	3	60		63
Honduras.....		1		1
India.....	10	82	1	93
Indo-China.....	5	30		35
Italy.....	11	49		60
Jamaica.....		4		4
Japan:				
Kobe.....	7	18		25
Nagasaki.....	32	26		58
Tokyo.....	31	96		127
Yokohama.....	7	30	1	38
Java.....	2	17		19
Luxemburg.....	1			1
Macao.....		6		6
Malta.....		1		1
Mexico.....		17		17
Natal.....	1			1
Netherlands.....	4	14	2	20
New South Wales.....		58		58
New Zealand.....		20	2	22
Norway.....		52		52
North Borneo.....	7	37		44
Peru.....		2		2
Porto Rico.....	1	12		13
Portugal.....	1	7		8
Queensland.....	6	21		27
Roumania.....	2	13		15
Russia.....	8	42		50
Salvador.....	1	2		3
Sarawak.....	1			1
Siam.....	1			1
South Australia.....	2	8		10
Spain.....	100	533	7	640
Straits Settlements.....	15	96	1	112
Sweden.....	8	47	1	56
Switzerland.....	4	16		20
Syria.....		4		4
Tasmania.....		2		2
Transvaal.....		4		4
Trinidad.....		1		1
Tunis.....		1		1
Turkey.....	3	5		8
Turkey (Asia).....	1	2		3
Victoria (Australia).....		37		37
West Australia.....	15	9		24
Total.....	549	3,484	45	4,078
United States.....	299	11,438	245	11,982
Grand total.....	848	14,922	290	16,060

TABLE I.—Statement of the money-order business of the Philippine Islands for the fiscal year ending June 30, 1904, as shown by auditor's report.

Office.	Number of orders issued.	Amount of orders issued.	Fees.	Number of orders paid.	Amount of orders paid and repaid.
Angeles.....	365	\$10,480.80	\$52.27	54	\$1,138.19
Aparri.....	586	23,605.69	102.81	85	3,158.70
Bacolod.....	525	16,581.50	78.74	85	2,232.46
Bacolor.....	16	468.92	2.30		
Baguio.....	365	12,294.13	56.41	119	4,829.34
Balanga.....	12	454.69	1.94	2	5.20
Bangued.....	1	.50	.05		
Batangas.....	1,569	82,867.90	342.19	280	9,700.43
Bayambang.....	267	5,520.35	32.91	19	795.25
Bayombong.....	101	2,434.22	13.50	3	67.50
Boac.....	140	3,875.20	19.38	19	695.25
Cagayan.....	563	30,745.14	118.03	81	3,794.63
Calamba.....	888	24,111.64	122.31	212	7,376.43
Calapan.....	60	851.56	6.43	17	385.86
Calbayog.....	1,083	39,055.84	170.69	53	2,435.62
Camp Jossman.....	37	637.94	4.14		
Camp Marahui.....	89	2,210.85	12.48	1	34.39
Camp Overton.....	854	43,884.18	169.54	68	5,751.68
Camp Stotsenburg.....	698	11,343.95	76.45	47	1,442.63
Capiz.....	159	4,825.69	23.61	12	346.02
Catbalogan.....	206	14,190.97	65.84	45	1,289.48
Cavite.....	2,317	80,582.55	365.81	454	14,293.58
Cebu.....	1,572	63,391.84	270.55	583	25,702.35
Cervantes.....	5	131.63	.71		
Corregidor.....	220	4,892.32	27.75	33	581.32
Cottabato.....	1,121	57,015.58	221.55	129	4,314.04
Cuyo (no business).....					
Daet (no business).....					
Dagupan.....	1,886	131,802.30	467.38	231	8,163.97
Davao (no business).....					
Dumaguete.....	244	8,636.11	39.35	32	1,997.08
Iba.....	1	8.04	.10		
Iligan (no business).....					
Iligan.....	1,833	105,372.54	394.65	360	21,796.44
Iloilo.....	3,530	161,559.17	646.79	981	37,414.76
Jolo.....	1,494	49,401.20	228.62	271	9,327.78
Laag.....	658	24,985.88	108.43	123	5,416.65
Legaspi.....	1,621	66,912.36	283.24	247	12,291.23
Lingayen.....	453	13,513.65	66.29	65	2,805.24
Los Baños.....	63	1,631.59	8.48	12	376.02
Lucena.....	1,239	35,021.61	173.95	113	3,927.36
Malabang.....	2,547	108,105.99	448.22	350	19,274.98
Malolos.....	21	546.22	3.28	5	84.79
Manila.....	26,039	1,358,421.70	5,264.60	26,287	1,259,975.85
Masbate.....	124	3,345.55	16.80	21	555.46
Nueva Caceres.....	945	40,098.10	168.21	173	7,495.10
Olongapo.....	603	14,969.64	80.32	141	4,621.83
Ormoc.....	219	8,408.32	36.35	19	634.34
Romblon.....	84	1,418.43	9.30	13	234.88
San Fernando, Pampanga.....	300	9,989.77	45.23	85	2,388.96
San Fernando, Union.....	1,161	40,786.33	184.91	269	13,375.52
San Isidro.....	555	17,676.05	83.05	155	8,047.79
San José.....	26	1,064.08	4.51	1	29.86
Santa Cruz.....	246	8,794.54	39.66	94	2,628.51
Sorsogon.....	1,248	48,163.56	209.63	116	4,849.85
Surigao.....	79	2,561.15	11.86	14	415.61
Tacloban.....	1,601	65,128.58	275.49	219	9,383.36
Tagbilaran.....	54	2,316.33	9.76	1	4.42
Tarlac.....	16	439.12	2.29	1	.75
Tuguegarao.....	67	2,005.85	9.90	27	1,265.28
Twin Peaks.....	1,528	71,493.48	295.10	87	3,687.82
Vigan.....	871	46,686.45	179.73	132	4,847.93
Zamboanga.....	2,556	114,817.21	470.68	591	27,063.51
Total:					
United States currency.....	68,034	3,102,606.38	12,623.95	33,637	1,564,753.41
Philippine currency.....		P6,205,212.76	P25,247.90		P3,129,506.82

TABLE J.—Statement of revenues and expenses of each post-office as reported by auditor.

Province and office.	Stamped stock sold.	Postage on second-class matter.	Waste paper sold and miscellaneous receipts.	Box rents.	Compensation of postmasters.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.
ABRA.								
Bangued.....	P168.30				P233.56			
ALBAY.								
Albay.....	321.12				280.62			
Bacacay.....	1.70				15.67			
Camahig.....	109.96				180.50			
Daraga.....	69.26				110.79			
Guinobatan.....	370.44				383.62			
Jovellar.....	.76				14.66			
Legaspi.....	1,632.34		P0.40	P373.64	2,212.80	P285.06	P432.83	P80.00
Libog.....	200.30				171.88			
Libon.....	.90				14.33			
Ligao.....	266.14				262.72			
Malilipot.....	33.40				120.18			
Malinao.....	10.31				16.67			
Manito.....	.80				12.00			
Oas.....	58.21				116.76			
Pandan.....	39.66				90.00			
Polangui.....	39.92				98.89			
Rapu Rapu.....	3.28				91.00			
Tubaco.....	464.02		3.40		276.36			
Tivi.....	46.08				104.90			
Virac.....	93.98				122.80			
AMBOS CAMARINES.								
Buhl.....	4.62				4.62			
Calabanga.....	81.21				110.42			
Daet.....	505.74				372.90			
Iriga.....	63.72				152.66			
Libmanan.....	87.00				107.00			
Magarao.....	41.12				94.06			
Nabua.....	43.82				109.44			
Nueva Caceres.....	1,402.70	P64.46			2,000.00	148.00	2.50	
Pomplona.....	4.08				91.98			
Pasacao.....	33.62				153.84			
San José.....	99.44				153.44			
Tigaon.....	70.14				90.94			
ANTIQUE.								
San José.....	211.44				578.34			
BATAAN.								
Abreeay.....	76.58				124.52			
Balanga.....	319.30				358.86			
Dinalupijan.....	38.38				102.38			
Malatang.....	8.84				42.36			
Mariveles.....	67.40				108.00			
Orani.....	47.94				96.92			
Orion.....	106.38				156.08			
Samal.....	8.40				46.04			
BATANGAS.								
Balayan.....	146.38				247.38			
Batangas.....	1,977.78		4.64		1,846.36	342.66		
Bataan.....	6.68				54.67			
Calaca.....	1.28				29.00			
Cuenca.....					3.67			
Ibaan.....	1.80		.16		44.33			
Lipa.....	392.30				350.35			
Lobo.....	3.52				36.67			
Nasugbu.....	231.76				253.30			
Rosario.....	2.30				38.66			
San José.....	1.04				34.67			
Santo Tomas.....	266.94				304.44			
Tarl.....	84.22				122.70			
Tanauan.....	150.18				204.52			
BENGUET.								
Baguio.....	434.64				600.00	40.67		
Twin Peaks.....	1,608.12				888.04			

TABLE J.—Statement of revenues and expenses of each post-office as reported by auditor—Continued.

Province and office.	Stamped stock sold.	Postage on second-class matter.	Waste paper sold and miscellaneous receipts.	Box rents.	Compensation of postmasters.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.
BONOL.								
Loay.....	P5.64				P97.50			
Maribojoc.....	104.56				161.18			
Tagbilaran.....	331.20				524.78			
Tubigon.....	8.56				84.00			
BULACAN.								
Baliuag.....	308.42				375.86			
Bigaa.....	65.34				76.68			
Boacae.....	134.32				134.72			
Bulacan.....	212.42				290.30			
Calumpit.....	88.94				120.00			
Hagonoy.....	70.00				129.12			
Malolos.....	497.94				549.68			
San Miguel.....	148.58				171.90			
CAGAYAN.								
Abulug.....	208.58				165.76			
Alcala.....	108.90				96.72			
Amulung.....	64.00				19.00			
Aparri.....	905.10				2,196.02	P415.00		P51.50
Bagao.....	1.06				8.00			
Camalaniugan.....	1.20				21.33			
Enrile.....	1.48				17.33			
Gattaran.....	1.38				20.00			
Iguig.....	8.04				18.33			
Lal-lo.....	67.46				100.40			
Mauanan.....	.10				5.67			
Peña Blanca.....					9.00			
Piat.....	5.10				19.67			
Santo Niño.....	.02				7.33			
Solana.....	5.02				18.00			
Tuao.....	.42				6.00			
Tuguegarao.....	513.52	P1.24			940.52	32.00		
CAPIZ.								
Calivo.....	88.90				177.64			
Capiz.....	515.96				590.34			
CAVITE.								
Alfonso.....	4.56				17.33			
Bacoor.....	72.12				155.78			
Carmona.....	3.34				25.00			
Cavite.....	7,726.94		P19.00		3,199.88	2,075.00		
Corregidor.....	482.28				476.84			
Imus.....	191.86				172.60			
Indang.....	150.86		.04		214.90			
Maragondon.....	21.88				100.88			
Naic.....	134.78				237.42			
Noveleta.....	2.66				30.00			
Rosario.....	62.42				107.64			
San Francisco.....	309.42				403.52			
Santa Cruz.....	215.96				201.04			
Silang.....	14.28				27.00			
CEBU.								
Argao.....	68.36				110.56			
Bantayan.....	.32				14.33			
Cebu.....	5,952.98	199.48		P300.00	3,600.00	2,573.66		1,176.70
Dalaguete.....	100.86				125.50			
Danao.....					7.67			
Dumanjug.....	45.96				104.86			
Liloan.....					8.00			
Mandaue.....	.70				8.00			
Minglanilla.....					10.00			
Naga.....					5.00			
Oslob.....	.44				13.67			
San Fernando.....					5.67			
Sibonga.....	42.94				101.03			
Talisay.....	1.84							

TABLE J.—Statement of revenues and expenses of each post-office as reported by auditor—Continued.

Province and office.	Stamped stock sold.	Postage on sec- ond-class matter.	Waste paper sold and miscella- neous receipts.	Box rents	Compensation of postmas- ters.	Compensation of clerks.	Rent and light.	Miscella- neous expenses.
ILOCOS NORTE.								
Bacarra.....	P52.38				P42.00			
Badoc.....	2.46				18.33			
Batac.....	2.00				25.33			
Diagrás.....	64.66				119.56			
Laong.....	565.82		P22.50	P151.62	2,385.56	P142.93		
Pasquin.....	6.28				26.23			
San Nicolas.....	35.40				64.76			
Vintar.....	8.38				48.04			
ILOCOS SUR.								
Candon.....	118.06				169.62			
Lapo.....	34.68				98.12			
Magsingal.....	1.80				12.33			
Narvacan.....	36.32				107.74			
Salomague.....	732.02				874.36			
San Esteban.....	21.10				490.00			
Santa Cruz.....	1.00				10.00			
Santa Lucia.....	1.20				17.67			
Santa Maria.....	113.72		.20		135.94			
Santa.....	6.50				12.00			
Sineit.....					3.67			
Tagudin.....	20.50				88.78			
Vigan.....	828.60				1,986.94	333.34	P240.00	P28.00
ILOILO.								
Buenavista.....	1,104.98				881.11			
Camp Jossman.....	430.66				508.00			
Iloilo.....	9,514.70	P180.64		1,912.72	4,000.00	5,304.62	960.00	
ISABELA.								
Angadanan.....	.18				10.00			
Cabagan Nuevo.....	122.94				142.42			
Cabagan Viejo.....	.24				15.67			
Cauayan.....	2.82				12.33			
Echague.....	178.06				276.86			
Gamu.....	.26				12.67			
Ilagan.....	304.02				372.63			
Nagaillan.....	1.10				12.67			
Santa Maria.....	1.08				15.67			
Tumauini.....	71.72				136.30			
LA LAGUNA.								
Bay.....	291.54				370.36			
Biñan.....	141.02				164.82			
Cabuyao.....	154.36				208.92			
Calamba.....	721.50				1,831.10	150.00	119.79	
Calauan.....	149.40				205.20			
Lilio.....	71.00				39.00			
Los Baños.....	543.78				623.14		16.00	
Leislana.....	3.38				35.67			
Lumban.....	2.20				37.67			
Mabitac.....	2.90				35.67			
Magdalena.....	65.80				172.80			
Mayajay.....	87.68				188.44			
Malabí Island.....	871.31							
Nagcarlan.....	20.26				90.01			
Pacta.....	279.64				307.84			
Pagsanjan.....	370.52				370.94			
Pangil.....	17.20				36.00			
Paquill.....	228.64				239.20			
Pila.....	173.96				263.84			
San Pablo.....	198.88				312.49			
San Pedro.....	129.96				220.56			
Santa Cruz.....	425.12				1,116.00	145.00	3.76	26.08
Santa Rosa.....	188.42				213.26			
Simulouan.....	61.36				108.38			
LA UNION.								
Agoo.....	50.90				120.12			
Aringay.....	50.00				145.00			
Bacnotan.....	179.72				243.04			

TABLE J.—Statement of revenues and expenses of each post-office as reported by auditor—Continued.

Province and office.	Stamped stock sold.	Postage on sec- ond-class matter.	Waste paper sold and miscella- neous receipts.	Box rents.	Compensation of postmas- ters.	Compensation of clerks.	Rent and light.	Miscella- neous expenses.
LA UNION—cont'd.								
Balaoan.....	P 18.66				P 97.72			
Bangar.....	34.90				96.34			
Bauang.....	25.38				111.40			
Naguilian.....	7.74				37.33			
Namacpacan.....	32.62				93.84			
San Fernando.....	1,466.44			P 182.50	2,400.00	P 480.00		P 10.00
San Juan.....	3.92				11.33			
Santo Tomas.....	10.52				45.33			
Tubao.....	.18				18.33			
LEPANTO-BONTOC.								
Bontoc.....	53.64				85.33			
Cervantes.....	321.90				504.50			
LEYTE.								
Barugo.....	10.14				40.00			
Baybay.....	44.66				116.00			
Carigara.....	125.20				159.52			
Maasin.....	100.14				116.91			
Ormoc.....	954.94				755.24	160.00		6.00
Palo.....	71.48				102.12			
Tacloban.....	1,646.00				2,677.77	238.00	P 199.92	24.00
MANILA.....	125,137.49	P 5,274.94	P 167.70	9,880.20	7,200.00	148,902.80	17,118.87	5,166.30
MASBATE.								
Cataingan.....	29.26				105.72			
Mandaon.....	.40				7.00			
Masbate.....	158.08				404.78			
Milagros.....	1.50				7.67			
Pulanduta.....	.24				6.67			
San Fernando.....	37.48				108.44			
San Jacinto.....	1.54				11.33			
Uson.....	18.92				97.04			
MINDORO.								
Calapan.....	280.12				500.00			1.60
Lubang.....	3.46				93.00			
MISAMIS.								
Cagayan.....	513.50				728.44	216.00		
Mambajao.....	36.90				118.00			
Misamis.....	180.22				308.68			
Oroquieta.....	152.64				310.74			
MORO.								
District of Cotta- bato:								
Cottabato.....	993.04				803.89	20.00		10.00
Parang Parang.....	569.26				569.14			
District of Davao:								
Davao.....	347.92				455.12			
District of Lanao:								
Camp Marahui.....	162.40				147.79			
Camp Overton.....	1,039.14				1,145.54			
Camp Vicars.....	704.24					54.66	1.00	
Iligan.....	2,428.74				1,335.23	243.33		
Malabang.....	2,067.60		2.00		2,799.94		48.00	
District of Sulu:								
Bongao.....	64.50				85.33			
Jolo.....	2,470.32				2,000.00		241.00	50.00
Siasi.....	12.66				33.33			
District of Zam- boanga:								
Zamboanga.....	2,613.84	4.68			3,100.00	875.00		6.00
Subdistrict of Dap- itan:								
Dapitan.....	5.32				29.50			

TABLE J.—Statement of revenues and expenses of each post-office as reported by auditor—
Continued.

Province and office.	Stamped stock sold.	Postage on sec- ond-class matter.	Waste paper sold and miscella- neous receipts.	Box rents.	Compensation of postmas- ters.	Compensation of clerks.	Rent and light.	Miscella- neous expenses.
NEGROS OCCIDENTAL.								
Bacolod.....	P963.18	P111.52			P630.71	P292.00		
Bago.....					5.67			
Escalante.....	21.68				48.33			
Isabela.....					2.00			
La Carlota.....	40.04				114.00			
Murcia.....	4.00				11.33			
Pontevedra.....	18.00				3.67			
San Carlos.....	193.56				219.36			
Silay.....	2.64				6.67			
Talisay.....					12.00			
Valloolid.....	4.46				13.67			
Victorias.....	1.42				2.00			
NEGROS ORIENTAL.								
Bacon.....	106.60				162.08			
Bals.....	113.32				177.38			
Dumaguete.....	886.72	2.14			912.74			
Nueva Valencia.....	82.28				135.34			
NUEVA ECIJA.								
Aliaga.....	4.30				32.33			
Bongabon.....	4.62				32.00			
Cabanatuan.....	76.08				86.33			
Cuyapo.....	114.02				115.60			
Gapan.....	1.42				20.00			
Licab.....	.80				27.00			
Peñaranda.....	3.72				37.33			
San Antonio.....	3.24				37.00			
San Isidro.....	610.00				1,359.96	240.00		P2.00
San José.....	27.52				101.64			
San Juan de Guimba.....	18.80				59.00			
Talavera.....	.70				35.33			
NUEVA VISCAYA.								
Bagabag.....	1.68				25.00			
Bayombong.....	127.58				244.66			
Dupax.....	2.00				26.33			
Solano.....	2.38				25.33			
PAMPANGA.								
Angeles.....	1,519.44				1,048.00	120.00		
Apalit.....	39.72				72.00			
Arayat.....	233.38				278.62			
Bacolor.....	346.82				469.64	124.40		
Camp Stotsenburg.	805.42				600.00			
Candaba.....	234.84				316.30			
Floridablanca.....	.38				8.33			
Guagua.....	104.22				127.62			
Lubao.....	33.72				98.62			
Mabalacat.....	8.00				11.00			
Macabebe.....	115.52				187.76			
Magalan.....	2.50				20.00			
Mexico.....	225.62				220.60			
Porac.....	206.34				286.94			
San Fernando.....	536.90				625.98	30.00		1.00
San Luis.....	18.72				92.00			
Santo Tomas.....	10.50				23.34			
Santa Rita.....	.90				20.00			
PANGASINAN.								
Agno.....	1.28				4.33			
Alaminos.....	78.12				133.06			
Alcala.....	97.64				165.34			
Anda.....	1.80				17.00			
Asingan.....	3.18				9.67			
Bani.....	2.80				23.67			
Bautista.....	910.86				691.68			
Bayambang.....	1,049.28		P1.40		898.37			1.50
Binalonan.....	168.66				209.06			
Binalmaley.....	4.40				20.00			

TABLE J.—Statement of revenues and expenses of each post-office as reported by auditor—Continued.

Province and office.	Stamped stock sold.	Postage on second-class matter.	Waste paper sold and miscellaneous receipts.	Box rents.	Compensation of postmasters.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.
PANGASINAN—CON.								
Bolinao.....	P22.10				P37.00			
Calasiao.....	129.24				182.36			
Dagupan.....	1,304.42		P3.50		2,731.08	P360.00	P461.84	P47.50
Infanta.....	6.02				20.00			
Lingayen.....	701.44				719.92			
Manaoag.....	256.46				262.50			
Mangaldan.....	70.86				157.70			
Malasiqui.....	11.24				7.66			
Mangatarem.....	5.00				20.00			
Pozorrubio.....	315.60				413.84			
Rosales.....	78.48				106.56			
Salasa.....	4.64				20.00			
San Carlos.....	93.32				106.64			
San Fabian.....	38.66				21.67			
San Isidro.....	10.08				23.33			
Sual.....	10.34				24.00			
Tayug.....	215.92				231.38			
Umingan.....	25.12				79.00			
Urdaneta.....	18.66				77.33			
Villasis.....	2.72				7.00			
PARAGUA.								
Coron.....	15.72				91.92			
Cuyo.....	119.40		.08		271.90			
Puerto Princesa.....	312.74				397.74			
RIZAL.								
Binangonan.....	4.00				15.67			
Calocan.....	11.66				36.66			
Malabon.....	77.66				115.06			
Mariquina.....	163.16				162.66			
Morong.....	3.70				16.67			
Paranaque.....	70.16				155.64			
Pasig.....	1.78				18.66			
Pateros.....	187.80				348.26			
Pililla.....	2.72				20.00			
San Felipe Neri.....	1.18				15.67			
San Mateo.....	.66				18.67			
San Pedro Macati.....	551.66				475.32			
Tanay.....	5.62				48.67			
Taytay.....	9.38				19.33			
	.70				17.33			
ROMBLON.								
Romblon.....	221.66		10.60		600.00			
SAMAR								
Allen.....	5.60				58.50			
Balangiga.....	.06				39.00			
Basey.....	7.20				40.00			
Borongon.....	176.14				360.00			
Calbayog.....	2,692.60		216.84		2,334.42	320.00		140.00
Cataman.....	2.38				2.38			
Catbalogan.....	491.60				1,480.00		120.00	
Gandara.....	23.16				32.00			
Guiuan.....	.60				42.67			
Lao-ang.....	268.38				552.10			
Oras.....	.80				17.33			
Villareal.....	9.86				46.67			
SORSOGON.								
Bacon.....	162.90				232.42			
Barcelona.....	3.50				8.33			
Bulan.....	11.76				20.00			
Casiguran.....	5.78				16.00			
Castilla.....	.98				16.00			
Donsol.....	3.00				20.00			
Gubat.....	2.98				13.33			
Irosin.....	2.96				16.00			
Juban.....	.50				15.66			
Magallanes.....	6.78				15.00			
Matnog.....					14.33			

TABLE J.—Statement of revenues and expenses of each post-office as reported by auditor—Continued.

Province and office.	Stamped stock sold.	Postage on second-class matter.	Waste paper sold and miscellaneous receipts.	Box rents.	Compensation of postmasters.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.
SORSOGON—cont'd.								
Prieto Diaz.....	P0.98				P7.67			
Pilar.....	12.86				18.67			
Sorsogon.....	1,477.56		P0.25		1,612.13	P290.00	P3.76	P8.00
SURIGAO.								
Surigao.....	508.62				601.12			
TARLAC.								
Bamban.....	6.70				19.67			
Camiling.....	8.92				24.67			
Capas.....	144.70				228.98			
Concepcion.....	85.82				136.58			
Moncada.....	106.42				94.00			
Paniqui.....	73.78				88.00			
Pura.....	83.66				50.00			
Tarlac.....	512.18				580.14	256.66		
TAYABAS.								
Atimonan.....	347.64				420.90			
Baler.....	61.20				90.00			
Boac.....	288.36				600.00			5.40
Calatagan.....	1.54				9.00			
Catanduanan.....	.48				21.66			
Guinayangan.....	2.18				8.06			
Gumaca.....					4.53			
Laguimanoc.....	6.56				60.00			
Lopez.....	63.40				104.52			
Lueban.....	75.21				123.86			
Lucena.....	1,087.58				2,566.66	141.98	482.83	10.00
Mauban.....	55.70				116.08			
Mogpog.....	54.54				19.00			
Mulanay.....	26.90				126.50			
Pagbilao.....	3.08				17.67			
Pitogo.....	12.76				57.67			
Sampaloc.....					20.00			
Santa Cruz.....	11.20				47.33			
Sariaya.....	236.82				208.68			
Tayabas.....	109.18				207.51			
Tiaong.....	6.58				53.67			
Torrijos.....	.94				3.67			
ZAMBALES.								
Botolan.....	53.08				128.12			
Cabanjan.....	20.00				53.36			
Castillejos.....	72.20				129.66			
Iba.....	176.36				456.64			
Masinloc.....	.54				13.67			
Olongapo.....	1,755.52				1,057.44			
San Antonio.....	14.00				45.48			
San Felipe.....	28.26				65.74			
San Marcelino.....	10.56				91.28			
San Narciso.....	84.64				165.04			
Subic.....	182.18				276.22			
Total.....	224,354.61	P5,839.10	452.71	P12,780.68	118,270.19	165,333.37	20,451.80	6,852.58

Stamped stock sold.....	P224,354.61
Postage on second-class matter.....	5,839.10
Waste paper sold and miscellaneous receipts.....	452.71
Box rent.....	12,780.68
Transferred from money order.....	24,142.34
Total revenues.....	267,569.44
Compensation of postmasters.....	118,270.19
Compensation of clerks.....	165,333.37
Rent and light.....	20,451.80
Miscellaneous expenses.....	6,852.58
Paid by insular purchasing agent (furniture).....	695.62
Total expenses.....	311,603.56

TABLE K.—Statement of registry business of each post-office and mails received and dispatched during the fiscal year ending June 30, 1904.

Office.	Registered, fee paid.		Registered, free.	In transit.	Received for delivery.		Mails.		Sacks paper mail.	
	Let- ters.	Par- cels.			Let- ters.	Par- cels.	Re- ceived.	Dis- patched.	Re- ceived.	Dis- patched.
Abucay, Bataan.....	14	1	3	6	18	12	155	153	13	13
Abulug, Cagayan.....	45	6	30		66	25	51	63	2	
Agno, Pangasinan.....	14				27	8	7			
Agoo, La Union.....	23	6	8	50	24	18	311	354	33	33
Alaminos, Pangasinan.....	129	33	429	205	215	278	408	424	165	38
Aleala, Cagayan.....	46	1	7	19	39	10	81	116	29	29
Alexia, Pangasinan.....	8		1	61	59	12	440	449	100	100
Alfonso, Cavite.....	12				1		30	34		
Aliaga, Nueva Ecija.....	1		1	6	8	6	52	50		
Allen, Samar.....	1		3		11		11	14		
Amulung, Cagayan.....							10	10	8	8
Anda, Pangasinan.....							6	6	6	6
Angadanan, Isabela.....				10	3	1	8	8		
Angat, Bulacan.....							1	1		
Angeles, Pampanga.....	270	398	204	48	237	213	1,684	1,679	371	173
Apalit, Pampanga.....	13		9		23	21	262	245		
Aparri, Cagayan.....	583	110	349	1,556	363	281	541	652		
Arayat, Pampanga.....	69	8	3	5	95	36	267	270		
Argao, Cebu.....	41	47	28		37	31	73	63		
Aringay, La Union.....	27				40	12	304	301		
Asingan, Pangasinan.....							24	25		
Atimonan, Tayabas.....	44	75	84	90	68	46	212	212	302	147
Bacacay, Albay.....							5	5		
Bacarra, Ilocos Norte.....	4		7	16	15	7	72	72		
Bacnotan, La Union.....	21	13	2	305	45	27	280	273		
Bacolod, Negros Occi- dental.....	673	162	629	95	582	421	724	1,161	469	206
Bacolor, Pampanga.....	252	37	482	90	338	383	961	934	21	1
Bacon, Sorsogon.....	64	58	15	60	84	50	144	148	72	24
Bacon, Negros Orien- tal.....	18	1		26	15	16	290	270		
Bacoar, Cavite.....	7	1	6	177	36	198	395	490	2,858	2,753
Badoc, Ilocos Norte.....							41	41		
Bagabag, Nueva Viz- caya.....			3		1	3	10	11		
Baggao, Cagayan.....							4	2		
Bago, Negros Occi- dental.....							4	4		
Baguio, Benguet.....	190	127	281	33	174	347	183	184		
Bais, Negros Oriental.....	64	52	27		74	40	82	64	52	
Balanga, Bataan.....	180	28	221	59	208	112	711	708	11	
Balangiga, Samar.....							4	4		
Balaoan, La Union.....	21	7	3	23	39	17	167	162		
Balayan, Batangas.....	3			7	52	17	164	87	15	24
Baler, Tayabas.....	9	1	13		13	3	16	18	13	9
Baliuag, Bulacan.....	154	100	23	92	186	75	873	870	7	1
Bamban, Tarlac.....					5		176	176		
Bambang, Nueva Vizcaya.....							6	6		
Bangar, La Union.....	28	6	28	62	30	9	305	311	109	111
Bangued, Abra.....	179	39	206		157	154	56	52	67	36
Bani, Pangasinan.....							8	8		
Bantayan, Cebu.....	1				1	1	7	9		
Baoang, La Union.....	11	4	6	181	20	6	355	353	113	81
Barcelona, Sorsogon.....							6	6		
Barugo, Leyte.....	12	2	2			2	30	58	22	36
Basey, Samar.....	1		5		6	4	33	30	4	8
Batac, Ilocos Norte.....							24	21		
Batangas, Batangas.....	909	750	544	75	684	796	923	1,084	684	287
Bauan, Batangas.....				21	17	8	53	72		
Bautista, Pangasinan.....	196	2	46	520	118	37	917	953		
Bay, La Laguna.....	75	17	15	342	45	64	621	529		
Bayambang, Pangasi- nan.....	359	290	88	288	203	196	951	963	306	44
Baybay, Leyte.....	7	1	16		20	5	57	45		
Bayombong, Nueva Vizcaya.....	77	14	84	6	80	126	49	52	47	9
Rizaa, Bulacan.....	22	3	2		9	10	346	346		
Binalonan, Pangasi- nan.....	20	1	4	15	41	12	256	255	10	10
Binan, La Laguna.....	126	21	22	144	82	33	340	332	19	5
Binangonan, Rizal.....					2	1	8	8		
Binmaley, Pangasinan.....			1		8	6	104	104	27	
Boac, Tayabas.....	57	65	89	15	134	68	101	88	52	35
Bocaue, Bulacan.....	3	1	3		50	38	794	794		
Bogo, Cebu.....							21	19		

TABLE K.—Statement of registry business of each post-office and mails received and dispatched during the fiscal year ending June 30, 1904—Continued.

Office.	Registered, fee paid.		Registered, free.	In transit.	Received for delivery.		Mails.		Sacks paper mail.	
	Let- ters.	Par- cels.			Let- ters.	Par- cels.	Re- ceived.	Dis- patched.	Re- ceived.	Dis- patched.
Bolinao, Pangasinan.	2		8		9	4	34	36		
Bongabong, Nueva Ecija.	4		1		4	6	5	5		
Bongao, Moro.	24	5	11		16	7	19	21		
Bontoc, Lepanto-Bontoc.	47	17	4		27	42	38	38	6	
Borongon, Samar.	103	12	6		78	60	52	42	66	21
Botolan, Zambales.	4		7	56	7	10	46	48		
Buenavista, Iloilo.	362	381	16		205	105	293	163	182	2
Bulacan, Bulacan.	68	5	13	5	115	16	581	577	30	
Bulan, Sorsogon.							7	7		
Cabagan Nuevo, Isabela.	67	16	14	1	32	19	69	79	3	
Cabagan Viejo, Isabela.					2		5	4		
Cabanatuan, Nueva Ecija.	53	3	26	2	50	20	164	169	22	8
Cabangan, Zambales.	7				7		33	33		
Cabuyao, La Laguna.	12	18				4	100	87		
Cagayan, Misamis.	244	132	175	25	204	243	178	141	95	22
Calabanga, Ambos Camarines.			2		16	1	112	112	51	
Calaca, Batangas.			17	14	1	16	46	46		
Calamba, La Laguna.	211	391	193	830	181	191	786	813	723	521
Calapan, Mindoro.	214	35	108	4	138	135	128	108	62	2
Calasiao, Pangasinan.	35	18	9		46	11	794	794		
Caluang, Tayabas.	1		1		2	2	204	204	11	
Caluan, La Laguna.	65			1	33	8	129	129		
Calbayog, Samar.	1,581	1,127	256	199	520	870	586	725	853	345
Calivo, Capiz.	35	9			80	9	112	59	45	
Calocan, Rizal.					9	2	86	86		
Calumpit, Bulacan.	12		9	179	14	39	620	618		
Camalainagan, Cagayan.							8	10	1	
Camalig, Albay.	34	46	11	131	47	40	268	260		
Camiling, Tarlac.							10	10		
Camp Jossman, Iloilo.	182	68	35		145	78	206	108	169	28
Camp Marahui, Moro.	53	16	16		26	24	18	18	40	12
Camp Overton, Moro.	292	192	249	162	222	341	155	177	320	267
Camp Stotsenburg, Pampanga.	201	234	98		160	276	523	513	141	
Camp Vicars, Moro.	457	337	29		115	192	97	139	115	
Candaba, Pampanga.	60	18	4	3	42	40	161	161	7	2
Candon, Ilocos Sur.	79	5	59	8	110	6	259	206	189	105
Capas, Tarlac.	51	4	25	50	50	61	1,041	1,044		
Capiz, Capiz.	510	109	398	11	481	260	183	218	209	
Carcar, Cebu.							7	7		
Carigara, Leyte.	67	9	79	59	103	72	226	180	108	72
Carmona, Cavite.					1	1	20	20	2	2
Casiguran, Sorsogon.	1				2		42	42		
Castilla, Sorsogon.							16	16		
Castillejos, Zambales.	4	1	21	118	19	10	35	35	9	8
Catalangan, Masbate.			4	2	1	6	35	22		
Catanauan, Tayabas.	1		1		2	2	12	13	2	
Catarman, Samar.							6	6		
Catbalogan, Samar.	358	50	357	21	263	400	387	407	320	146
Cauayan, Isabela.	4		2		4	2	5	5		
Cavite, Cavite.	2,507	3,145	591	1,063	1,570	1,482	2,387	2,261	1,248	734
Cebu, Cebu.	2,902	666	815	2,710	2,244	1,884	1,424	2,070	2,116	1,761
Cervantes, Lepanto-Bontoc.	176	79	80	72	141	129	87	83	41	4
Concepcion, Tarlac.	16	12	5		29	18	215	215		
Coron, Paragua.	26	4			9	19	38	37		
Corregidor, Cavite.	160	191	79		180	115	142	142	34	
Cottabato, Moro.	496	368	238	3	288	320	211	173	224	148
Cuenca, Batangas.							3	1	3	
Cullion, Paragua.							2	2		
Cuyapo, Nueva Ecija.	91	7	4		32	20	171	170		
Cuyo, Paragua.	58	44	111	3	99	129	76	66	50	19
Daan-Bantayan, Cebu.							4	4		
Daet, Ambos Camarines.	289	70	17		200	160	231	135	179	
Dagupan, Pangasinan.	722	166	747	2,601	494	246	1,027	1,027	1,248	1,005
Dalaguete, Cebu.	8	59	11	1	5	13	49	36		
Damiao, Cebu.							18	18		
Dapitan, Moro.							18	15		
Daraga, Albay.	99	20	8	241	76	22	201	180	24	
Davao, Moro.	191	80	29		109	159	39	38	145	9

TABLE K.—Statement of registry business of each post-office and mails received and dispatched during the fiscal year ending June 30, 1904—Continued.

Office.	Registered, fee paid.		Registered, free.	In transit.	Received for delivery.		Mails.		Sacks paper mail.	
	Let- ters.	Par- cels.			Let- ters.	Par- cels.	Re- ceived.	Dis- patched.	Re- ceived.	Dis- patched.
Dinalupijan, Bataan.	14	1	19		36	12	157	157		
Dingras, Ilocos Norte.	12	7	8		27	21	90	79		
Donsol, Sorsogon.	5		3		4	3	36	28	7	7
Dumaguete, Negros Oriental.	422	309	284	50	303	345	248	242		
Dumanjug, Cebu.	36	8	6		75	19	77	127	16	71
Dupax, Nueva Vizcaya.	4	3	6			3	31	31		
Echague, Isabela.	36	8	27		43	27	28	34	19	
Enrile, Cagayan.					3	3	9	9	3	
Escalante, Negros Occidental.	16	2	3		18	8	107	74		
Floridablanca, Pampanga.					1		25	25		
Ganit, Isabela.			1		6	3	1	1		
Gandara, Samar.							28	28	11	
Gapan, Nueva Ecija.			2		6	5	20	20		
Gattaran, Cagayan.					3	1	21	21	21	
Guagua, Pampanga.	15		12	46	22	38	663	663		
Gubat, Sorsogon.	5			1	5		29	26		
Guinayangan, Tayabas.			1		5	1	9	6	6	
Guinebatan, Albay.	188	93	50	17	146	61	267	249	49	
Guiuan, Samar.			2		1	5	35	33	18	
Gumaca, Tayabas.							4	4		
Hagonoy, Bulacan.	7	1	5		55	17	304	304		
Iba, Zambales.	134	51	226	8	142	134	123	169	96	1
Ibigan, Batangas.	1		2	9	10	2	68	67	4	3
Iligan, Cagayan.	2			2	2		6	4		
Iligan, Isabela.	179	37	280	50	214	216	146	160	161	
Iligan, Moro.	747	751	153	5	394	580	166	133	251	
Iloilo, Iloilo.	4,192	2,355	788	3,316	3,994	2,906	1,242	1,625	2,336	2,270
Imus, Cavite.	39	38	9		60	34	153	153		
Indang, Cavite.	7	7	11	18	41	37	176	176		
Infanta, Pangasinan.							15	21	8	
Infanta, Tayabas.							4	4		
Iriga, Ambos Camarines.	63	7	23	35	87	3	163	156	12	
Irosin, Sorsogon.	1			2	1		14	14	1	
Isabela, Negros Occidental.							4	4		
Jiniganan, Negros Occidental.							3	3		
Jolo, Moro.	1,062	800	362	202	718	758	358	355	470	189
Jovellar, Albay.					2	1	19	19		
Juban, Sorsogon.			1	3	4		19	17	13	13
La Carlota, Negros Occidental.	18		4		125	65	363	289	144	
Laguayan, Samar.	218	117	31	7	82	108	116	151		
Laguinmanoc, Tayabas.			1	178	7	7	89	87	11	3
Lalio, Cagayan.	20		19	2	25	11	65	51	5	3
Laong, Ilocos Norte.	564	161	161	104	428	435	620	415	303	65
Lapo, Ilocos Sur.	21	8	2		14	1	112	145		
Legaspi, Albay.	1,300	343	635	1,940	794	496	1,087	1,340	93	535
Lilimanan, Ambos Camarines.	14	3	1		10	5	83	85		
Lilbog, Albay.	35	13	4	11	27	12	153	166	6	6
Lilbon, Albay.	2		2		3	5	12	12		
Licab, Nueva Ecija.							23	24		
Ligao, Albay.	244	48	51	73	115	26	331	8	180	146
Lilho, La Laguna.	10	2	27	1	20	9	95	88		
Liloan, Cebu.							463	450		
Lingayen, Pangasinan.	357	121	439	143	379	568	678	666	382	
Lipa, Batangas.	164	82	48	134	140	81	291	282	458	332
Lloay, Bulid.	5	46	1		1	17	40	6	10	8
Lobo, Batangas.					2	2	20	18		
Lopez, Tayabas.	49	16	24	8	35	8	48	49	27	3
Los Baños, La Laguna.	264	204	56		269	118	282	275	55	
Lubang, Mindoro.	1						12	8		
Lubao, Pampanga.	10	1	2		26	7	287	288		
Luban, Tayabas.	25	25	4	54	42	20	220	211	88	10
Lucena, Tayabas.	511	368	662	724	609	625	665	708	673	404
Luisiana, La Laguna.			1		4	7	36	35		
Lumban, La Laguna.			2				50	46		
Maasin, Leyte.	34		20	5	47	14	190	52	8	1
Mabalacat, Pampanga.	3				5	3	60	60		

TABLE K.—Statement of registry business of each post-office and mails received and dispatched during the fiscal year ending June 30, 1904—Continued.

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	Let- ters.	Par- cels.			Let- ters.	Par- cels.	Re- ceived.	Dis- patched.	Re- ceived.	Dis- patched.
Mabatang, Bataan					5	3	91	91		
Mabitac, La Laguna			2			3	6	6		
Macabebe, Pampanga	49	3	6		134	19	365	365		
Magalan, Pampanga			1			2	90	90		
Magallanes, Sorsogon					2	1	6	4		
Magarao, Ambos Camarines			9	32	4	2	102	102		
Magdalena, La Laguna	18	10	3	118	11	16	288	288		
Magsingal, Ilocos Sur					1		12	11		
Majayjay, La Laguna	25			73	37	11	137	137		
Malabang, Moro	854	965	97	401	393	753	434	519	843	504
Malabon, Rizal	9	6	4		35	19	223	223		
Malahi Island, La Laguna	345	138	65		188	159	314	313	91	
Malasiqui, Pangasinan			1				46	46		
Malilipot, Albay							72	60	24	
Malinao, Albay							14	13		24
Malolos, Bulacan	199	68	401	96	269	333	2,082	2,082	47	30
Manbajao, Misamis	14		1		9	9	69	68	21	17
Manaoag, Pangasinan	44	17	16	111	34	11	263	263		
Mandaon, Masbate							3	3		
Mandaue, Cebu							3	3		
Mangaldan, Pangasinan	7	1		206	19	12	289	289		
Mangatarem, Pangasinan			3		4	6	27	27		
Manila	46,027	29,561	21,469	68,911	62,655	39,496	6,682	7,116	20,302	24,913
Manito, Albay							24	24		
Maragondon, Cavite	2		2		38	4	157	157		
Maribojoc, Bohol	19	12			9	16	20	16		
Mariguina, Rizal	52	17	1	25	40	17	4,086	2,246	17	
Mariveles, Bataan	30	10	14		66	30	62	62	29	
Masbate, Masbate	113	56	163	117	210	180	157	169	133	31
Masinloc, Zambales		1			2		8			
Matnog, Sorsogon							8	6		
Maunayan, Cagayan					5		4	4		
Mauban, Tayabas	17	2	15	3	36	7	143	136	42	17
Mexico, Pampanga	20	14	10	89	46	21	284	285		
Meycauayan, Bulacan							12	12		
Milagros, Masbate							10	10	2	
Minglanilla, Cebu							5	5		
Misamis, Misamis	85	51	56	1	58	58	134	105	23	6
Mogpog, Tayabas							9	12		
Moncada, Tarlac	23	1		125	29	11	673	666		
Morong, Rizal							294	108		
Mulunay, Tayabas	15	4			12		82	56	4	
Murcia, Negros Occidental							17	5	3	
Nabua, Ambos Camarines	24		3		31	12	108	107		
Naga, Cebu							2	2		
Nagcarlan, La Laguna	23		6	17	28	6	136	140		
Naguilian, Isabela	7						5	5		
Naguilian, La Union			5	23	15	4	64	66	43	32
Naiac, Cavite	110	31	37	139	46	34	425	436	24	9
Namapacan, La Union	36	2	2		49	10	469	506	203	269
Narvacan, Ilocos Sur	8				24	1	188	145		
Nasugbu, Batangas	14	27	3	1	22	12	99	76	6	
Naveleta, Cavite					4		58	56		
Nueva Caceres, Ambos Camarines	661	317	233	307	670	492	548	544	427	118
Nueva Valencia, Negros Oriental	3				2	7	313	313		
Oas, Albay	23	15	22	20	28	14	185	191		
Olongapo, Zambales	337	463	75	15	242	226	201	189	116	7
Orani, Bataan	37	9	14	28	47	12	554	555	7	
Oras, Samar	1						8	8		2
Orion, Bataan	29	6	5		27	9	389	389		
Ormoc, Leyte	606	283	103	139	246	168	303	268	199	46
Oroquieta, Misamis	96	3	20	4	50	37	126	101	1	
Oslob, Cebu							4	6		
Pacta, La Laguna	19	6	9	82	30	27	326	341	12	13
Pagbilao, Tayabas	5				26		29	29		
Pagsanjan, La Laguna	82	32	23	18	93	66	387	394		
Palo, Leyte	69	76	7		43	65	139	139	1	
Pampolona, Ambos Camarines				26			833	251		

TABLE K.—Statement of registry business of each post-office and mails received and dispatched during the fiscal year ending June 30, 1904—Continued.

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	Let- ters.	Par- cels.			Let- ters.	Par- cels.	Re- ceived.	Dis- patched.	Re- ceived.	Dis- patched.
Pandan, Albay.....	4				26	5	31	20		
Pangil, La Laguna.....			1	1	12	6	68	65		
Paniqui, Tarlac.....	13	1	9		38	7	534	532		
Paombang, Bulacan.....							4			
Paquill, La Laguna.....	9	22	8	3	17	14	131	136	3	5
Paranaque, Rizal.....	1		2	1	18	6	97	97		
Parang Parang, Moro.....	385	179	61		176	156	169	160	36	1
Pasacao, Ambos Cam- arines.....	8	2	28	1	17	7	92	81		
Pasay, Rizal.....	2		3	4	16	4	27	27		
Pasig, Rizal.....	135	86	189	35	295	251	402	412	44	7
Pastuquin, Ilocos Norte.....					2	11	30	56	2	
Pateros, Rizal.....	4						18	18		
Peña Blanca, Cagayan.....					1		4	4		
Peñaranda, Nueva Ecija.....	5		3		6		49	49		
Plat, Cagayan.....					1		6	6		
Pila, La Laguna.....	14	4			28	16	151	153		
Pilar, Sorsogon.....	22	2	1	1	12	13	46	32	10	7
Pililla, Rizal.....	3					2	21	20		
Pitogo, Tayabas.....		1	3	2	9	9	25	37	14	12
Polangui, Albay.....	39	7	2	5	28	7	114	115	25	
Polo, Bulacan.....							5	5		
Pontevedra, Negros Occidental.....							6	6		
Porac, Pampanga.....	10	6	4	1	36	14	389	389		
Pozorrubio, Pangasi- nan.....	30	5	7	245	65	12	508	496	257	261
Prieto Diaz, Sorsogon.....	1						5	5	2	
Puerto Princesa, Par- agua.....	204	49	54		79	107	27	32	27	9
Pulanduta, Masbate.....			3				3	3	3	
Pura, Tarlac.....	15		8		9	17	330	320		
Rapu Rapu, Albay.....							9	7		
Romblon, Romblon.....	140	85	230	112	102	165	151	122	111	30
Rosales, Pangasinan.....	54		1	5	54	14	296	296		
Rosario, Batangas.....	4		1		6	1	45	53	15	23
Rosario, Cavite.....	21	2	2		19	8	104	104		
Salasa, Pangasinan.....	3		4		7	14	53	53		
Salomague, Ilocos Sur.....	225	128	53	1,184	120	113	462	436	433	330
Samal, Bataan.....	1		1		12	1	91	91		
Sampaloc, Tayabas.....				10			20	16	8	
San Antonio, Nueva Ecija.....	3		1		3	2	39	40		
San Antonio, Zam- bales.....	12		3	6	15	1	39	38		
San Carlos, Negros Occidental.....	140	3	24		93	27	211	220	42	15
San Carlos, Pangasi- nan.....	13	8	9		25	4	710	720		
San Esteban, Ilocos Sur.....	19		5	670	27	7	463	505	256	205
San Fabian, Pangasi- nan.....	10		2		10		27	27		
San Felipe, Zambales.....	2	1	4		9	8	27	29	20	19
San Felipe Neri, Rizal.....							21	21		
San Fernando, Cebu.....							3	3		
San Fernando, Mas- bate.....	7				17	9	31	21	4	5
San Fernando, Pam- panga.....	200	93	174	806	241	124	1,379	1,380	109	107
San Fernando, La Union.....	775	548	775	818	656	671	704	750	660	125
San Francisco, Cavite.....	70	150	11	119	59	57	797	796	5	
San Isidro, Nueva Ecija.....	240	92	435		447	279	412	412	373	255
San Isidro, Pangasi- nan.....		2	39			9	79	77		
San Jacinto, Masbate.....							6	6		
San Jose, Ambos Cam- arines.....	50	11	5	15	72	17	140	111	76	16
San Jose, Antique.....	165	44	170	1	233	126	153	92	120	14
San Jose, Batangas.....							30	31		
San Jose, Nueva Ecija.....	7		5	96	44	8	73	73	38	50
San Juan, La Union.....	6		4	251	8	4	134	134	5	5
San Juan de Booboc, Batangas.....							3	3		

TABLE K.—Statement of registry business of each post-office and mails received and dispatched during the fiscal year ending June 30, 1904—Continued.

Office.	Registered, fee paid.		Regis- tered, free.	In transit.	Received for delivery.		Mails.		Sacks paper mail.	
	Let- ters.	Par- cels.			Let- ters.	Par- cels.	Re- ceived.	Dis- patched.	Re- ceived.	Dis- patched.
San Juan de Guimba.										
Nueva Ecija.						2	12	12		
San Luis, Pampanga.	4	1	2	251	15	11	143	141		
San Marcelino, Zam- bales.	2	1	5	219	21	2	61	61	7	5
San Mateo, Rizal.	149	159	27		98	103	150	122	84	
San Miguel, Bulacan.	42	1	8		67	19	134	137		
San Narciso, Zambales.	17	1	24	125	36	15	74	74	9	10
San Nicolas, Ilocos Norte.	8	2	5	4			34	21		
San Pablo, La Laguna	66	20	27	47	76	46	226	237		
San Pedro Macati, Rizal.	2		2		1	2	61	50		
San Pedro Tunason, La Laguna.	27	17	5		18	12	334	335		
Santa, Ilocos Sur.							2	2		
Santa Cruz, Cavite.	54	29	7		29	33	361	361	5	
Santa Cruz, Ilocos Sur	2			16			16	16		
Santa Cruz, La Laguna	318	187	451	585	453	380	1,351	1,358	387	49
Santa Cruz, Tayabas.	4		2		19		70	64	1	
Santa Cruz, Zambales.							4	4		
Santa Lucia, Ilocos Sur.	3			17	4	4	30	29	5	5
Santa Maria, Bulacan							3	3		
Santa Maria, Ilocos Sur.	31	8	14	7	15	30	189	176	39	38
Santa Maria, Isabela.							7	7		
Santa Rita, Pam- panga.							78	81		
Santo Niño.	1				1	1	3	3		
Santo Rosa, La La- guna.	13	5	10		36	10	216	221		
Santo Tomas, Batan- gas.	164	93	49	625	84	95	345	341	32	
Santo Tomas, Isabela.							6	6		
Santo Tomas, Pam- panga.			2		1		465	195		
Santo Tomas, La Union.	2		7		1	2	69	68		
Sariaya, Tayabas.	51	33	30	3	24	55	167	171		
Siassi, Moro.	13	2	24		34	2	15	22	2	1
Sibonga, Cebu.	4	11	10		18	11	49	29	3	
Silang, Cavite.	11	3			4	2	47	36		
Silay, Negros Occiden- tal.							8	8		
Sinait, Ilocos Sur.							5	5		
Siniloan, La Laguna.	2		7	3	11	7	119	118		
Solana, Cagayan.					6	4	16	13	6	4
Solana, Nueva Viz- caya.	1		1				11	11		
Sorsogon, Sorsogon.	959	379	526	150	641	635	718	754	920	696
Sual, Pangasinan.	3			52	6		71	70	8	2
Subic, Zambales.	63	15	66	313	78	47	139	148	71	19
Surigao, Surigao.	247	107	242	9	185	232	171	156	116	1
Taal, Batangas.	39	9	9	10	64	23	221	128	5	1
Tabaco, Albay.	240	34	12	1	82	42	266	321	71	130
Tacloban, Leyte.	1,013	358	767	449	621	755	1,022	1,130	786	449
Tagbilaran, Bohol.	186	72	326	54	122	301	102	86	145	13
Tagudin, Ilocos Sur.	5		9	34	15	1	178	203	17	13
Talavera, Nueva Ecija			3	7	4	3	51	56		
Talisay, Cebu.							4	4		
Talisay, Negros Occi- dental.	2			7	3		90	86	5	10
Tanauan, Batangas.	29	22	6	307	47	11	211	210		
Tanay, Rizal.	1	1	1	7	7	11	37	37	10	10
Tarlac, Tarlac.	244	47	249		262	288	732	732	25	12
Tayabas, Tayabas.	71	30	54	93	99	19	220	211	110	97
Taytay, Rizal.							21	21		
Tayug, Pangasinan.	75	7	10		624	28	102	104		
Tolong, Tayabas.	2	2	4			6	47	46		
Tigaon, Ambos Cama- rines.	3	37	3	21	24	13	138	196	7	13
Tiri, Albay.	20	22	1	1	16	11	104	92		
Torrijos, Tayabas.							6	6		
Tua, Cagayan.							4	4		
Tubao, La Union.					3	6	43	43		
Tubigon, Bohol.	1				1		27	15		

TABLE K.—*Statement of registry business of each post-office and mails received and dispatched during the fiscal year ending June 30, 1904—Continued.*

Office.	Registered, fee paid.		Registered, free.	In transit.	Received for delivery.		Mails.		Sacks paper mail.	
	Let-ters.	Par-cels.			Let-ters.	Par-cels.	Re-ceived.	Dis-patched.	Re-ceived.	Dis-patched.
Tuguegarao, Cagayan.	404	157	247	56	359	458	160	138	179	23
Tuamuni, Isabela.	32	6	14		42	26	92	97	9	
Twin Peaks, Benguet.	879	65	167	75	548	420	318	321	342	377
Uningan, Pangasinan.	6		3	84	3	2	245	237	16	18
Urdaneta, Pangasinan.	1		1		19	9	88	88		
Uson, Masbate.					7		38	55	26	1
Valladolid, Negros Occidental.						1	337	343	27	
Victorias, Negros Occidental.							8	8		
Vigan, Ilocos Sur.	789	214	680	680	588	617	582	440	740	374
Villa Real, Samar.	1	1	2		4	2	27	24	15	12
Villasis, Pangasinan.							4	4		
Vintar, Ilocos Sur.	11		5		13	2	46	47		
Vinac, Albay.	47		2		57	3	117	72	56	6
Zamboango, Moro.	1,768	294	945	1,119	1,401	1,931	440	359	1,739	1,114
Total.	90,775	52,896	43,823	101,414	99,819	97,020	89,273	87,432	52,474	44,647

TABLE L.—*Statement showing number of registered letters and parcels received from and dispatched to United States, foreign countries, and Philippine post-offices by the Manila post-office during the fiscal year ending June 30, 1904.*

	United States.	Foreign countries.	Philippines.	Total.
Registered letters for delivery received.	5,823	20,476	36,356	62,655
Registered parcels for delivery received.	13,271	19,129	7,096	39,496
Registered letters in transit received.	6,455	4,775	18,783	30,013
Registered parcels in transit received.	14,522	2,871	21,404	38,797
Total received.	40,071	47,251	83,639	170,961
Letters registered sent.	13,001	23,033	8,840	44,874
Parcels registered sent.	19,610	4,682	4,868	29,160
Letters in transit sent.	11,077	4,846	11,159	30,082
Parcels in transit sent.	21,106	533	17,189	38,828
Official letters registered, free, sent.	411	672	9,312	10,395
Official parcels registered, free, sent.	82	96	10,896	11,074
Official letters registry fee paid.	430		723	1,153
Official parcels registry fee paid.	141		230	371
Total sent.	68,888	33,862	63,217	165,967
Sacks registered mail received.	1,606	1,972	4,924	8,502
Sacks registered mail sent.	2,507	1,534	5,424	9,465
Total.	4,113	3,506	10,348	17,967

TABLE M.—*Statement showing mails received from and dispatched to Philippine offices by the Manila post-office during the fiscal year ending June 30, 1904.*

RECEIVED.

Date.	Cavite and Manila and Dagupan R. P. O.			Other Philippine offices.		
	Mails.	Pouches.	Sacks.	Mails.	Pouches.	Sacks.
1903.						
July.	118	130	143	310	570	336
August.	121	135	161	319	616	320
September.	120	141	125	286	581	353
October.	124	133	133	302	573	309
November.	116	117	152	287	584	355
December.	118	123	157	302	580	335

TABLE M.—Statement showing mails received from and dispatched to Philippine offices by the Manila post-office during the fiscal year ending June 30, 1904—Continued.

RECEIVED—Continued.

Date.	Cavite and Manila and Dagupan R. P. O.			Other Philippine offices.		
	Mails.	Pouches.	Sacks.	Mails.	Pouches.	Sacks.
1904.						
January.....	108	115	146	412	741	435
February.....	112	117	159	432	740	418
March.....	120	131	164	445	817	382
April.....	115	117	140	503	769	391
May.....	119	119	153	721	835	473
June.....	110	110	188	511	802	493
Total.....	1,404	1,488	1,821	4,830	8,208	4,580

DISPATCHED.

1903.						
July.....	122	122	379	348	639	1,301
August.....	124	124	313	767	645	449
September.....	120	120	317	347	661	1,256
October.....	124	124	335	354	662	1,414
November.....	128	128	322	320	629	1,374
December.....	153	153	423	341	672	1,762
1904.						
January.....	125	154	394	479	762	1,423
February.....	117	146	414	475	821	1,144
March.....	125	153	400	517	928	1,688
April.....	132	148	353	501	897	1,662
May.....	134	146	340	538	899	1,492
June.....	116	150	391	553	891	1,457
Total.....	1,520	1,668	4,381	5,540	9,106	16,422

TABLE N.—Statement of mails received from and dispatched to the United States on transports and liners via Hongkong and Japan ports by the Manila post-office during the fiscal year ending June 30, 1904.

Month.	Via—	Received.				Dispatched.			
		Num- ber.	Pouches of letters.	Pouches of regis- tered.	Sacks of pa- pers.	Num- ber.	Pouches of letters.	Pouches of regis- tered.	Sacks of pa- pers.
1903.									
July.....	Transport..	2	28	40	507	1	29	36	102
Do.....	Liner.....	4	59	69	641	6	52	179	183
August.....	Transport..	1	36	52	329	1	31	41	246
Do.....	Liner.....	5	73	68	865	4	78	170	217
September.....	Transport..	1	21	12	190	1	35	76	100
Do.....	Liner.....	3	49	72	558	5	44	115	142
October.....	Transport..	2	56	127	871	2	49	80	124
Do.....	Liner.....	3	45	48	445	5	74	141	138
November.....	Transport..	1	24	67	284	1	43	225	262
Do.....	Liner.....	5	73	100	775	6	34	211	218
December.....	Transport..	1	14	52	432	1	8	21	40
Do.....	Liner.....	3	73	168	959	7	72	245	247
1904.									
January.....	Transport..	2	65	225	455	1	35	49	126
Do.....	Liner.....	3	49	89	839	5	45	129	159
February.....	Transport..					1	34	65	193
Do.....	Liner.....	4	50	59	487	4	37	126	151
March.....	Transport..	2	70	214	1,518	2	33	55	91
Do.....	Liner.....	3	32	22	361	4	51	138	182
April.....	Transport..	2	46	71	720	1	31	38	112
Do.....	Liner.....	3	39	43	525	7	39	54	79
May.....	Transport..	1	29	64	474	2	18	18	97
Do.....	Liner.....	3	29	56	462	5	53	69	135
June.....	Transport..	2	35	89	500	1	42	46	125
Do.....	Liner.....	3	63	64	638	3	5	5	9
Total.....		59	1,058	1,871	13,835	76	972	2,332	3,478

TABLE O.—Statement of mails received from and dispatched to Honolulu, Guam, and United States ships and troops in foreign ports by the Manila post-office during the fiscal year ending June 30, 1904.

Month.	Honolulu.				Guam.				Ships and troops.	
	Received.		Dispatched.		Received.		Dispatched.		Bags re-ceived.	Bags dis-patched.
	Mails.	Bags.	Mails.	Bags.	Mails.	Bags.	Mails.	Bags.		
1903.										
July.....	4	5	1	1	2	5	1	1	11	19
August.....	5	6	2	2	1	2	1	2	5	29
September.....	3	3	1	1			1	1	19	20
October.....	4	5	2	2	2	12			3	14
November.....	5	13	2	2	1	6	1	1	14	16
December.....	4	8	3	4	1	3			46	18
1904.										
January.....	5	12	3	4	2	6			22	18
February.....	4	10	3	4			1	1	156	15
March.....	4	9	1	1	3	15			46	14
April.....	3	6	2	7					25	14
May.....	3	6	2	2	1	3	1	2	69	14
June.....	5	11	2	2	3	11			20	55
Total.....	49	94	24	32	16	63	6	8	436	246

TABLE P.—Statement of mails received from and dispatched to foreign countries by the Manila post-office during the fiscal year ending June 30, 1904.

Month.	Received.		Dispatched.			
	Mails.	Bags.	Mails.	Bags.	Net weight of letters.	Net weight of prints.
1903.					<i>Grams.</i>	<i>Grams.</i>
July.....	31	281	30	125	380,966	1,132,079
August.....	32	275	36	165	532,958	1,742,068
September.....	31	251	41	160	479,535	1,343,361
October.....	46	290	35	176	471,941	1,244,658
November.....	42	311	37	144	475,101	1,158,093
December.....	36	360	30	161	486,719	1,206,512
1904.						
January.....	21	301	28	166	525,863	1,183,806
February.....	26	308	27	135	443,280	1,042,739
March.....	31	317	32	150	469,344	1,487,420
April.....	36	330	34	156	504,604	1,312,510
May.....	31	354	33	166	424,461	1,176,242
June.....	28	303	25	133	355,536	898,900
Total.....	391	3,681	388	1,837	5,550,308	14,928,388

**ANNUAL REPORT OF THE BUREAU OF PRISONS, FOR YEAR
ENDING JUNE 30, 1904.**

The SECRETARY OF COMMERCE AND POLICE,
Manila, P. I.

SIR: I have the honor to submit herewith the annual report of Bilibid Prison for the fiscal year ending June 30, 1904.

PRISON POPULATION.

On June 30, 1903, there were 2,776 prisoners in confinement; 5,999 commitments were received during the year and 4,457 discharged, leaving a gain of 1,542 for the year, and a total on June 30, 1904, of 4,318 prisoners in confinement, or an increase of 55 per cent. The highest number in confinement was 4,459, on May 19, and the lowest number 2,774, on July 5. The average number in confinement was 3,735, or an increase over the preceding year's average of 73 per cent.

This large percentage of increase comes largely through executive orders requiring all provincial prisoners sentenced to two or more years' imprisonment being sent to this institution for safe-keeping.

MAINTENANCE.

The gross cost per capita of maintenance for the year is but ₱122.66, or 0.33½ centavos per day per capita; this includes all expenses of salaries, subsistence supplies, etc. Deducting the receipts of sales of prison-manufactured articles and amounts earned for maintenance of military, provincial, and municipal prisoners, the net cost per annum per capita would be but ₱78, and the daily per capita tax but 0.21½ centavos. In this connection, for the purpose of comparison, the gross per capita tax of some of the largest prisons in the United States, as shown by their annual reports, is given, in Philippine currency: Ohio, ₱1.10; New York, ₱0.75½; Illinois, ₱0.90; Massachusetts, ₱0.82; New Jersey, ₱0.87; Vermont, ₱1.80.

MANUFACTURES.

The prison is now manufacturing carriages, carromattas, calesins, buckboards, carts, etc., cloth for prison use, laundry, bamboo and wicker furniture, hats, carabao horn, pearl shells, and silverware, the sales from the manufactured articles having increased 84 per cent over those of the previous year. With the new shops and machinery about to be installed, it is hoped to make the prison practically self-sustaining. A large part of the prison labor is used for the

benefit of the prison and can not be shown in dollars and cents. All of the clothing, underwear, and hats used are manufactured within the walls, and a large part of the cloth is also manufactured. All the iron-work, grading, carpenter work, laundry, painting, etc., necessary for an institution of this magnitude is accomplished entirely with prison labor.

IMPROVEMENTS.

One pavilion 176 by 33 feet has been completed and one 145 by 33 feet almost completed; gate-house tower, central pavilion, and clock tower, all by prison labor. Outside the walls new shops 800 by 60 feet and a warehouse 200 by 60 feet are being erected under the supervision of the bureau of architecture, the labor for which is supplied by prisoners, and are nearing completion.

DISCIPLINE.

The discipline of the prison continues to improve and the percentage of punishment decreased. The task system has been installed with favorable results. A system of classifying prisoners for industry and ability in their work as well as in conduct is also in operation with great success. There have been but two escapes during the year, one of whom was captured and returned to prison on the same day.

HEALTH.

The general health of the prison has been good, considering the population and the accommodation.

Attention is invited to the report of the resident physician, attached hereto, in regard to the overcrowding of wards and the necessity of new buildings to meet conditions, which is approved and strongly recommended.

RECOMMENDATIONS.

1. The installation of an electric light and power plant at the prison, to furnish the necessary lights and to run the machinery for shops. The lighting of the prison at the present time is inadequate, the only lights within the wards and brigades being oil lamps that are unsatisfactory. There are but 5 arc lights for the entire prison and grounds.

There is not sufficient power to run the machinery necessary to equip the shops, and it is believed that a plant sufficient to furnish necessary lights and power would more than pay for itself in five years.

2. The enactment of a "good time" law based upon the conduct and industry of the prisoner. Under existing laws there is no inducement for the criminal to conduct himself properly or to labor faithfully and intelligently, as the man who refuses to work or to observe the rules fulfills his sentence and procures his release as soon.

The modern idea is to make the prisoner an agent in effecting his own release, and it has become an established practice in nearly all civilized countries to allow the prisoner to earn a reduction of his sentence by his good behavior.

The Hon. S. J. Barrows, secretary of the New York Prison Association, says in The Forum:

To remit any part of a penalty because of the conduct of the prisoner is to make an appeal to his self-interest. The only ethics in his "goodness" are of a purely utilitarian order. He finds himself in a community of offenders as well as under a system of rules and laws which are so rational that it is of no advantage to him to break them. He promptly discovers that it will not pay to violate rules if by keeping them he can not only avoid immediate punishment but can also gain a future reward. Ethically it may be a small gain, weighed in the scale of motives; but practically it is of great importance for the protection of society, when a man decides that it does not pay him to violate law. There is something gained, too, when a prisoner learns to consider the effect of his conduct on his own welfare two or three years ahead.

3. The enactment of a "longevity law," for increase of pay for inspectors, guards, and keepers after two years' service, as enacted for the benefit of the police and firemen. These men have to labor nights, Sundays, and holidays; they have to be on the alert all the time when on duty, and subject to call after completion of their regular hours.

STATISTICS.

The tabulated reports of this prison, showing its transactions for the past year, are attached and made a part of this report.

The officers and employees of this prison by their vigilance, industry, and cordial cooperation have been of vast assistance in the work accomplished. They have worked many hours overtime and faithfully. The absence of the warden of this prison, Mr. George N. Wolfe, on vacation in the United States, to whose energy and ability for systematic organization the present excellent standard in prison work has been brought, prevents any recommendations that his experience might have suggested.

To the honorable the civil governor and the honorable Commission I am also under many obligations for support and assistance.

Respectfully submitted.

M. L. STEWART,
Acting Warden.

FINANCIAL STATEMENTS, INCLUDING DISBURSING OFFICER'S, STEWARD'S, AND CASHIER'S CLERKS' REPORTS.

EXHIBIT A.—Financial statement of bureau of prisons for the fiscal year 1904.

Date.		Salaries and wages.	Contingent expenses.	Manufacturing department.	Total.
July 27, 1903	To amount appropriated:				
	Act 807.....	P 60,000.00	P 150,000.00	P 74,000.00	P 284,000.00
Nov. 27, 1903	Act 1010.....	5,000.00	16,200.00	26,000.00	47,200.00
Feb. 11, 1904	Act 1049.....	76,000.00	230,000.00	70,000.00	436,000.00
	Total.....	141,000.00	456,200.00	170,000.00	767,200.00
June 30, 1904	By amount of payments made to date.....	137,044.81	414,729.35	56,170.05	607,944.21
June 30, 1904	By balance remaining to credit of bureau.....	3,955.19	41,470.65	113,829.95	159,255.79
	Total.....	141,000.00	456,200.00	170,000.00	767,200.00

EXHIBIT B.—Statement showing the miscellaneous receipts for the year ending June 30, 1904.

Month.	Maintenance of provincial prisoners.	Labor of prisoners.	Maintenance of city of Manila's prisoners.	Maintenance of prisoners held for debt.	Deceased prisoners, confiscated, etc.	Sales and laundry department and photographs.	Savings on prisoners' rations.	Total.
1903.								
July.....	₱106.40		₱4,976.17	₱34.08	₱75.56	₱2,482.35	₱133.42	₱7,807.98
August.....	77.20		5,127.20	14.00	.91	1,856.70		7,076.01
September.....	738.69		5,606.20		5.03	3,594.89		9,944.81
October.....	911.60		5,601.20		26.00	4,096.12		10,634.92
November.....	258.20		6,280.00		3.00	4,234.75		10,775.95
December.....	1,578.60		6,073.20	5.60	4.08	2,500.55		10,162.03
1904.								
January.....	102.60		5,714.60	5.60	3.23	1,586.22		7,412.25
February.....	5,806.37		5,658.00		2.35	1,902.56		13,369.28
March.....	4,706.80		5,282.60		3.43	2,250.00		12,251.83
April.....	606.00		5,820.60	8.40	1.53	2,719.47		9,156.00
May.....	8,167.80	₱100.00	5,450.60	21.00	64.53	1,374.92		15,178.85
June.....	2,238.40		5,269.20		10.67	10,281.81		17,800.08
Total..	25,298.66	100.00	66,859.57	88.68	200.32	38,889.34	133.42	131,569.99

EXHIBIT B2.—Statement showing amounts due Bilibid prison for maintenance of prisoners.

From whence, and period for which due.	Amount.
Due on and before June 30, 1903, from—	
Province of Batangas (never has made a payment).....	₱202.20
Province of Nueva Ecija (bill for May, 1903).....	160.00
Province of Zambales (never has made a payment).....	817.60
War Department, for maintenance of military prisoners (never made a payment).....	73,554.54
Total.....	74,734.34
Amounts due and unpaid for the year from June 30, 1903, to June 30, 1904, from—	
Various provinces.....	26,043.20
War Department (never has made a payment).....	9,293.60
Total.....	35,336.80
Grand total due June 30, 1904.....	110,071.14
Total provincial.....	27,223.00
Total War Department.....	82,848.14
Grand total due June 30, 1904.....	110,071.14

EXHIBIT C.—Total cost of maintenance of prisoners confined in Bilibid prison during fiscal year ending June 30, 1904, with average annual and daily cost per capita.

Salaries and wages of officials and employees.....	₱137,067.47
Subsistence of prisoners.....	253,531.42
Prisoners' supplies, including clothing, bedding, ration of tobacco, mess outfits, soap, medicines, etc.....	48,847.75
General expenses, including office supplies, lights, policing tools, photographic supplies, transportation and supplies therefor.....	18,718.66
Total cost.....	458,165.30
Daily average number of prisoners.....	3,735
Total cost of maintenance per month.....	₱38,180.44
Total cost of maintenance per day.....	125.18
Total daily cost per capita.....	.3351
Total annual cost per capita.....	122.667

EXHIBIT D.—Daily average cost of subsistence per prisoner during each month of the fiscal year ending June 30, 1904.

	Americans and Europeans.	Natives and Asiatics.	Sick in hospital.
1903.			
July.....	P0. 3998	P0. 1850	P0. 8628
August.....	.4172	.1992	.8138
September.....	.3958	.1940	.9272
October.....	.4130	.1770	.8796
November.....	.3856	.2058	.8576
December.....	.5392	.1900	.8080
1904.			
January.....	.4620	.1800	.4500
February.....	.4120	.1730	.4400
March.....	.4100	.1750	.4130
April.....	.4100	.1600	.4180
May.....	.4040	.1700	.4500
June.....	.4022	.1653	.4666

EXHIBIT E.—Quantity and cost of American and European prisoners' subsistence, and the average cost per day and year, for the fiscal year ending June 30, 1904.

Articles.	July, 1903.		August, 1903.		September, 1903.		October, 1903.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Beef, fresh.....pounds..	875	P223.92	1,040	P201.10	1,286	P411.52	1,343	P429.76
Mutton, fresh.....do....	410	104.96	390	109.20	410	114.80	622	174.16
Beef, corned.....do....	752	169.50	363	87.84	496	60.50	401	60.94
Codfish.....do....	195	36.46	105	19.64	125	11.68	75	14.02
Potatoes.....do....	2,060	92.28	2,070	129.58	2,580	81.00	2,265	74.74
Sugar.....do....	548	34.32	809	83.66	755	38.94	517	57.98
Flour.....do....	2,964	132.20	2,509	149.04	3,257	193.46	2,508	150.68
Pepper.....do....	12	3.96	9	2.98	10	3.30	8	2.64
Ginger root.....do....	21	1.38	28	1.84	29	1.88	20	1.64
Lard.....do....	10	3.42						
Eggs.....number..	8,690	213.78	8,560	209.10	6,641	199.22	8,062	241.86
Beans, navy.....pounds..	685	63.02	660	60.72	676	31.38	545	62.88
Coffee.....do....	200	76.80	244	93.70	258	49.52	258	82.20
Pork.....do....	150	33.00	140	30.80			70	17.50
Vinegar.....gallons..	12	6.00	6	3.00	14	3.38	12	6.00
Chickens.....number..	12	4.80	5	2.00	7	2.80		
Cream, evaporated.....cans..	122	22.70	123	22.88	115	21.38	76	14.14
Tomatoes.....do....	181	40.54	158	40.44	261	66.82	194	49.66
Peas, split.....pounds..	175	18.90	500	28.08	240	25.92	342	36.86
Onions.....crates..	6	24.00	6	18.02	5	12.54	7	16.48
Sauerkraut.....kegs..	8	36.00	8	36.00			3	13.50
Potatoes, sweet.....pounds..	400	14.40					100	5.50
Squash.....do....	490	16.26	920	30.54	870	17.40	450	18.00
Macaroni.....do....	40	11.52						
Cheese.....do....	6	3.40						
Apples.....cans..	20	6.24						
Cigars.....number..	125	3.16						
Cinnamon.....ounces..	2	.62						
Baking powder.....pounds..	1	.62						
Bacon.....do....	284	121.56	284	121.56	280	59.92	104	22.26
Rice.....do....	50	2.02	83	3.56	134	5.90	41	1.80
Tea.....do....			10	3.74	3	1.12	17	6.16
Salt.....do....							116	4.80
Total.....		1,521.74		1,578.82		1,414.38		1,566.16
Deduct for sick in hospital.....		46.40		57.20		38.40		46.40
Net total.....		1,475.34		1,521.62		1,375.98		1,519.76

EXHIBIT E.—*Quantity and cost of American and European prisoners' subsistence, and the average cost per day and year, for the fiscal year ending June 30, 1904—Continued.*

Articles.	November, 1903.		December, 1903.		January, 1904.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Beef, fresh.....pounds..	1,085	P 347.20	690	P 220.80	965	P 308.80
Mutton, fresh.....do..	520	145.60	690	193.20	440	123.20
Beef, corned.....do..	226	73.32	400	220.00	132	36.30
Codfish.....do..	150	28.04	130	35.10	170	45.90
Potatoes.....do..	1,510	70.36	1,330	58.52	1,500	66.00
Sugar.....do..	666	62.82	390	42.90	350	38.50
Flour.....do..	796	46.16	4,971	298.26	5,238	314.28
Pepper.....do..	2	.50	3	3.47	4	3.96
Ginger root.....do..	2	.16	11	.88	22	1.76
Eggs.....number..	7,028	210.84	6,847	205.41	6,961	208.83
Beans, navy.....pounds..	530	60.96	485	53.55	380	41.80
Coffee.....do..	241	81.94	123	19.20	174	55.68
Pork.....do..	100	25.00	380	95.00	735	183.75
Vinegar.....gallons..	10	5.00	10	9.90	16	15.84
Chickens.....number..			50	25.00		
Cream, evaporated.....cans..	91	16.92	50	9.30	24	4.46
Tomatoes.....do..	115	30.58	134	40.20	21	6.50
Peas, split.....pounds..	158	17.04	45	8.44	80	8.80
Onions.....crates..	5	24.20	4	17.33	3	15.36
Sauerkraut.....kegs..			1	4.50		
Potatoes, sweet.....pounds..			100	4.00	186	7.44
Squash.....do..	620	24.80	350	14.00	265	10.60
Bacon.....do..			122	57.34	117	54.76
Rice.....do..					200	10.30
Tea.....do..	16	5.80	11	8.69	21	16.59
Salt.....do..	112	5.80	143	2.86	207	10.35
Salmon.....cans..	48	6.02	24	3.84	96	15.36
Prunes.....pounds..					40	8.40
Total.....		1,289.06		1,671.49		1,613.52
Deduct for sick in hospital.....		34.40				
Net total.....		1,254.66		1,671.49		1,613.52

Articles.	February, 1904.		March, 1904.		April, 1904.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Beef, fresh.....pounds..	1,048	P 535.36	1,210	P 387.20	912	P 291.84
Mutton, fresh.....do..	100	28.00	110	30.80		
Beef, corned.....do..	122	33.55	144	59.60	100	27.50
Codfish.....do..	50	13.50				
Potatoes.....do..	690	43.56	1,500	66.00	1,000	25.00
Sugar.....do..	520	35.20	415	45.65	200	22.00
Flour.....do..	4,808	288.48	5,800	362.50	3,500	215.60
Pepper.....do..	6	5.94	4	3.96	5	4.95
Eggs.....number..	6,488	194.64	8,118	243.54	3,844	115.32
Beans, navy.....pounds..	240	26.40	415	45.65	270	29.70
Coffee.....do..	178	53.40	218	65.40		
Pork.....do..	435	108.75	515	128.75	645	161.25
Vinegar.....gallons..	6	5.94	5	4.46	3	2.97
Cream, evaporated.....cans..	24	5.28	4	.88		
Tomatoes.....do..	15	4.50				
Peas, split.....pounds..	170	18.70	250	27.50	110	12.10
Onions.....crates..	3	16.38	1	5.12	2	9.00
Potatoes, sweet.....pounds..	250	7.50	250	7.50		
Squash.....do..	220	8.80	80	3.20		
Bacon.....do..	110	51.70	182	83.54	11	5.17
Rice.....do..	150	7.72	250	11.40	350	15.96
Tea.....do..	12	9.48	11	8.69	9	7.20
Salt.....do..	220	11.00	230	11.50	100	5.00
Salmon.....cans..	90	14.40	98	15.68		
Peaches, dried.....pounds..	120	8.40	220	15.40		
Tomatoes, fresh.....do..					50	2.00
Total.....		1,336.58		1,615.92		952.56
Net total.....		1,336.58		1,615.92		952.56

EXHIBIT E.—Quantity and cost of American and European prisoners' subsistence, and the average cost per day and year, for the fiscal year ending June 30, 1904—Continued.

Articles.	May, 1904.		June, 1904.		Total.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Beef, fresh.....pounds.	1,550	P496.00	1,200	P384.00	13,204	P4,127.50
Mutton, fresh.....do.					3,692	1,023.92
Beef, corned.....do.			90	24.75	3,226	835.80
Codfish.....do.					1,000	204.34
Potatoes.....do.	1,500	45.00	2,000	60.00	20,305	812.04
Sugar.....do.	350	38.50	325	35.75	5,545	536.22
Flour.....do.	5,000	308.00	5,000	297.00	46,441	2,755.66
Pepper.....do.	6	5.94			69	41.60
Ginger root.....do.					133	9.54
Lard.....do.					10	3.42
Eggs.....number	5,052	151.56	2,191	65.73	78,422	2,259.83
Beans, navy.....pounds.	270	29.70	282	31.02	5,438	556.58
Coffee.....do.					1,894	597.84
Pork.....do.	380	95.00	480	134.40	4,030	1,013.20
Vinegar.....gallons					94	62.49
Chickens.....number					74	34.60
Cream, evaporated.....cans	24	5.28	135	29.70	788	152.42
Tomatoes.....do.					1,079	279.04
Peas, split.....pounds.	340	37.40	50	5.50	2,460	245.24
Onions.....crates	3	13.50	4	18.00	49	189.93
Sauerkraut.....kegs					20	90.00
Potatoes, sweet.....pounds.					1,286	46.34
Squash.....do.					4,265	143.60
Macaroni.....do.					40	11.52
Cheese.....do.					6	3.40
Apples.....cans					20	6.24
Cigars.....number					125	3.16
Cinnamon.....ounces					2	.62
Baking powder.....pounds.					4	
Bacon.....do.					1,494	579.81
Rice.....do.	250	11.40	170	7.75	1,678	77.61
Tea.....do.	9	7.20	7	5.60	126	80.27
Salt.....do.	140	2.80	140	2.80	1,498	56.91
Salmon.....cans					356	55.30
Prunes.....pounds.					40	8.40
Peaches, dried.....do.					340	23.80
Tomatoes, fresh.....do.					50	2.00
Oatmeal.....do.	40	4.80	186	22.32	226	27.12
Hominy.....do.			100	11.00	100	11.00
Total.....		1,252.08		1,135.32		16,947.43
Net total.....		1,252.08		1,135.32		16,947.43

Total number of days' board..... 39,084
Average cost per prisoner per day (cents Philippine currency)..... 43.36
Average cost per prisoner per year..... P158.70

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EXHIBIT F.—Quantity and cost of native and Asiatic prisoners' subsistence, and the average cost per day and year, for the fiscal year ending June 30, 1904.

Articles.	July, 1903.		August, 1903.		September, 1903.		October, 1903.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Rice.....pounds..	41,563	P1,670.82	48,714	P1,958.32	47,428	P2,089.06	52,998	P2,331.98
Beef, fresh.....do....	18,132	4,641.96	19,244	5,388.32	17,404	4,873.12	12,373	3,464.44
Mutton.....do.....	6,175	1,580.80	4,020	1,125.60	7,150	2,002.00	10,543	2,952.04
Beef, corned.....do....	960	216.38	2,792	675.66	4,752	579.74	3,308	502.80
Potatoes.....do.....	7,150	320.32	10,600	663.56	14,350	450.56	13,410	442.54
Sugar.....do.....	4,137	258.98	4,301	444.82	4,653	240.10	3,367	377.78
Salt.....do.....	1,600	101.44	1,850	116.94	2,671	110.06	2,715	112.30
Flour.....do.....	49,438	2,204.94	44,077	2,618.16	45,623	2,710.00	50,155	2,909.00
Pepper.....do.....	32	10.56	31	10.22	30	9.90	43	14.20
Ginger root.....do....	391	25.58	544	35.58	570	37.28	472	37.76
Lard.....do.....	200	68.20	65	26.40	207	70.38	260	84.40
Mongos.....do.....	4,336	312.22	4,638	357.14	4,110	275.38	3,379	260.20
Coffee.....do.....	7	2.68						
Pork, fresh.....do....	7,610	1,674.20	11,345	2,495.90	9,579	2,146.98	5,026	1,256.50
Vinegar.....gallons..	32	16.02	36	18.02	75	18.96	30	15.00
Cream, evaporated.....cans	275	51.14					184	34.22
Salmon.....do.....	4,382	549.50	4,896	607.10	2,247	142.90	3,522	441.68
Tomatoes.....do.....	192	43.00	1,104	282.62	742	189.94	518	132.60
Malt.....pounds.....	30	10.00	30	10.00	55	18.32	30	5.26
Fish, dried.....do....	244,900	709.42	108,500	309.74				
Onions.....crates.....	62	248.00	68	214.50	69	250.40	10	94.72
Potatoes, sweet.....pounds	10,470	376.92	4,715	179.18	15,600	858.00	20,485	1,126.06
Squash.....do.....	2,764	91.76	3,900	129.48	840	16.80		
Hops.....do.....			30	13.98	30	13.98	60	27.96
Total.....		15,175.84		17,681.24		17,103.86		16,624.02
Deduct for sick in hospital.....		228.00		224.00		198.40		205.60
Net total.....		14,947.84		17,457.24		16,905.46		16,418.42

Articles.	November, 1903.		December, 1903.		January, 1904.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Rice.....pounds..	54,375	P2,718.76	57,451	P2,959.04	61,620	P3,173.43
Beef, fresh.....do....	11,050	3,094.00	13,350	3,738.00	16,200	4,536.00
Mutton.....do.....	8,750	2,450.00	12,250	3,430.00	9,750	2,730.00
Beef, corned.....do....	2,880	934.28	1,546	844.80		
Potatoes.....do.....	29,505	955.54	19,180	843.92	22,200	976.80
Sugar.....do.....	4,782	531.24	6,307	693.77	6,100	671.00
Salt.....do.....	2,229	115.46	3,652	73.04	2,740	137.00
Flour.....do.....	55,725	3,232.06	56,212	3,372.72	52,807	3,168.42
Pepper.....do.....	89	60.40			21	20.79
Ginger root.....do....	802	64.20	818	65.44	774	61.92
Lard.....do.....	260	86.94	190	53.20	195	62.40
Mongos.....do.....	7,541	573.72	3,251	250.33	3,042	234.24
Pork, fresh.....do....	4,800	1,200.00	5,760	1,440.00	7,653	1,913.25
Vinegar.....gallons..	30	15.00	57	55.94	40	39.60
Cream, evaporated.....cans			251	46.69		
Salmon.....do.....	3,792	475.52	2,451	392.16	2,697	431.32
Tomatoes.....do.....	1,536	408.58	1,470	441.00	200	60.00
Malt.....pounds.....	40	7.00	30	5.25		
Onions.....crates.....	133	731.62	96	474.11	53	268.80
Potatoes, sweet.....pounds	11,003	605.16	5,022	200.88	16,200	618.00
Hops.....do.....	58	128.70	2	.70	40	18.64
Fish, fresh.....do....	12,325	1,479.12	16,097	1,931.64	10,200	1,224.06
Beans, Samploc.....do....	1,750	70.00	2,361	94.44	1,760	70.40
Total.....		19,937.30		21,407.07		20,446.21
Deduct for sick in hospital.....		220.20				
Net total.....		19,717.10		21,407.07		20,446.21

EXHIBIT F.—Quantity and cost of native and Asiatic prisoners' subsistence, and the average cost per day and year, for the fiscal year ended June 30, 1904—Continued.

Articles.	February, 1904.		March, 1904.		April, 1904.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Rice.....pounds	58,466	₱3,011.00	70,292	₱3,205.22	67,082	₱3,058.94
Beef, fresh.....do	11,900	3,332.00	17,850	4,998.00	14,400	4,032.80
Mutton.....do	8,650	2,422.00	4,000	1,120.00	1,485	146.80
Beef, corned.....do	1,138	312.95	4,100	1,127.50	1,360	374.90
Potatoes.....do	13,680	601.92	19,192	844.45	18,300	561.50
Sugar.....do	5,530	608.30	6,775	745.25	6,650	731.50
Salt.....do	2,728	136.40	3,170	173.50	3,650	182.50
Flour.....do	53,464	3,207.84	61,800	3,831.25	60,080	3,700.93
Pepper.....do	28	27.23	31	30.69	20	19.80
Ginger root.....do	685	54.80	770	61.60	1,070	85.60
Lard.....do	70	22.40	35	11.20		
Mongos.....do	5,638	281.90	6,580	329.00	3,095	154.75
Pork, fresh.....do	10,142	2,535.50	10,500	2,625.00	13,150	3,287.50
Vinegar.....gallons	42	41.09	78	77.72	15	15.35
Salmon.....cans	2,130	340.80	1,492	238.72	1,440	230.40
Tomatoes.....do	382	114.60	608	182.40	306	98.74
Malt.....pounds	50	10.00	20	4.00	72	14.40
Onions.....crates	56	285.18	40	207.87	46	234.75
Potatoes, sweet.....pounds	17,228	516.84	17,426	522.78	30,000	750.00
Hops.....do	50	125.00	50	125.00	20	16.60
Fish, fresh.....do	6,000	720.00	9,500	1,140.00	9,800	1,176.80
Beans, Sampaloe.....do	1,400	56.00	2,100	84.00	2,100	84.00
Soda, bicarbonate.....barrels	1	10.78				
Peaches, dried.....pounds					3,105	217.85
Tomatoes, fresh.....do					300	12.00
Total.....		18,774.53		21,685.15		19,145.41
Deduct for sick in hospital.....						
Net total.....		18,774.53		21,685.15		19,145.41

Articles.	May, 1904.		June, 1904.		Total.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Rice.....pounds	69,858	₱3,185.52	82,495	₱3,760.10	712,342	₱3,122.19
Beef, fresh.....do	20,700	5,796.00	18,200	4,367.20	190,803	52,261.04
Mutton.....do	940	75.20	5,448	1,065.84	79,261	21,100.28
Beef, corned.....do	1,816	499.40	1,054	289.85	25,696	6,357.86
Potatoes.....do	22,600	690.50	23,500	705.00	213,667	8,056.61
Sugar.....do	7,250	797.50	7,000	770.00	66,851	6,870.24
Salt.....do	4,500	171.00	3,800	76.00	35,610	1,505.64
Flour.....do	64,400	3,067.04	54,780	3,253.93	648,061	38,176.29
Pepper.....do	40	39.60	31	32.45	396	275.84
Ginger root.....do	990	79.20	1,200	96.00	9,086	704.96
Lard.....do			40	12.80	1,522	489.32
Mongos.....do	300	15.00	3,500	250.25	49,410	3,294.13
Coffee.....do					7	2.68
Pork, fresh.....do	12,800	2,414.00	11,325	2,875.00	109,690	26,863.83
Vinegar.....gallons	46	45.05	25	24.26	506	382.01
Cream, evaporated.....cans					710	132.05
Salmon.....do	1,184	237.44	3,024	574.56	33,557	4,662.28
Tomatoes.....do	400	116.00			7,458	2,059.48
Malt.....pounds			100	20.00	457	104.23
Fish, dried.....do					353,400	1,010.16
Onions.....crates	74	333.00	76	297.00	783	3,609.95
Potatoes, sweet.....pounds	8,900	222.50	30,000	675.00	187,049	6,681.82
Squash.....do					7,504	238.04
Hops.....do	60	49.80	40	33.20	440	553.56
Fish, fresh.....do	10,700	1,284.00	10,200	1,221.00	84,822	10,178.76
Beans, Sampaloe.....do					11,471	458.84
Soda, bicarbonate.....barrels					1	10.78
Peaches, dried.....pounds	3,740	261.80	1,620	113.40	8,465	592.55
Bread, hard.....do	3,000	300.00			3,000	300.00
Tomatoes, fresh.....do	4,450	133.50	700	21.00	5,450	166.50
Total.....		21,713.05		20,536.84		230,230.52
Deduct for sick in hospital.....						
Net total.....		21,713.05		20,536.84		230,230.52

Total number of days board..... 1,280,359
Average cost per prisoner per day (cents, Philippine currency)..... 17.97
Average cost per prisoner per year..... ₱65.77

EXHIBIT G.—Quantity and cost of subsistence for sick prisoners of all nationalities, and the average cost per day and year, for the fiscal year ending June 30, 1904.

Articles.	July, 1903.		August, 1903.		September, 1903.		October, 1903.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Regular ration.....		P274.40		P281.20		P236.80		P252.00
Rice.....pounds..	62	2.50	72	2.90	52	2.30	89	3.92
Beef, fresh.....do..	82	21.16	96	26.98	70	19.60	119	38.08
Sugar.....do.....	15	.98	18	1.86	13	.68	22	2.50
Flour.....do.....	248	11.06	289	17.16	210	12.48	357	20.70
Salt.....do.....	9	.62	10	.62	8	.34	14	5.88
Eggs.....number..	2,565	63.10	2,560	62.98	1,810	54.30	2,580	77.40
Mongos.....pounds..	21	1.56	28	2.22	20	1.38	35	2.74
Chickens.....number..	143	57.20	140	56.00	94	37.60	219	109.50
Cream, evaporated...cans..	300	55.78	306	56.30	355	66.04	296	55.06
Total.....		488.36		508.22		431.52		567.78

Articles.	November, 1903.		December, 1903.		January, 1904.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Regular ration.....		P254.60				
Rice.....pounds..	100	4.98	160	P8.24	210	P10.81
Beef, fresh.....do..	200	64.00	545	152.60	279	85.60
Sugar.....do.....	25	2.78	100	11.00	250	27.50
Flour.....do.....	399	23.14	650	39.00	355	21.30
Salt.....do.....	16	.82	40	.80	30	1.50
Eggs.....number..	1,792	53.76	1,057	31.71	756	22.68
Mongos.....pounds..	40	3.08	20	1.54	30	2.31
Chickens.....number..	133	66.50	156	78.00	50	25.00
Cream, evaporated...cans..	384	80.64	240	44.64	372	69.19
Ice.....pounds..	3,000	30.00	3,000	30.00	3,100	31.00
Lemons.....number..	156	12.48	252	20.16		
Bacon.....pounds..			13	6.35		
Beans, navy.....do..			20	2.20		
Potatoes, sweet.....do..			60	2.40	30	1.20
Baking powder.....cans..			1	.70		
Beef, corned.....pounds..			24	13.20	10	2.75
Coffee.....do.....			20	6.40	15	4.80
Ginger root.....do..			10	.80	8	.64
Lard.....do.....			20	5.60	10	2.80
Onions.....do.....			50	2.48	75	3.84
Potatoes.....do.....			300	13.20	300	13.20
Salmon.....cans.....			12	1.92	2	.32
Squash.....pounds..			20	.80		
Tea.....do.....			2	1.58	3	2.37
Tomatoes.....cans.....			60	18.00	33	9.90
Vinegar.....gallons..			1	.99	1	.99
Oatmeal.....pounds..			15	4.20	45	12.60
Prunes.....do.....					10	2.10
Pepper.....do.....					2	1.98
Total.....		596.78		498.51		356.38

Articles.	February, 1904.		March, 1904.		April, 1904.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Rice.....pounds..	375	P19.31	425	P19.38	425	P19.38
Beef, fresh.....do..	298	95.36	372	119.04	300	115.20
Sugar.....do.....	370	40.70	510	56.10	400	44.00
Flour.....do.....	428	25.68	800	50.00	720	44.35
Salt.....do.....	37	1.85	50	2.50	50	2.50
Eggs.....number..	840	25.20	1,116	33.48	1,442	43.26
Mongos.....pounds..	8	.40	20	1.00	5	.25
Chickens.....number..	32	16.00	52	26.00	44	22.00
Cream, evaporated...cans..	528	116.16	574	126.28	550	121.00
Ice.....pounds..	2,000	20.00				
Lemons.....number..	36	2.88	72	5.76	48	3.84
Bacon.....pounds..	23	10.93	26	12.22		
Beans, navy.....do..	10	1.10	25	2.75	10	1.10
Potatoes, sweet.....do..	85	3.40	185	6.55		
Baking powder.....cans..			2	1.07		
Beef, corned.....pounds..	8	2.20	60	16.50	40	11.00
Coffee.....do.....	18	5.40	32	9.60	30	9.00
Ginger root.....do..	5	.40				

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EXHIBIT H.—Quantity of subsistence stores furnished by depot commissary for military prisoners for the fiscal year ending June 30, 1904.

AMERICANS.

Articles.	Jan.	Feb.	Mar.	Apr.	May.	June.	Total.
Beef, fresh.....pounds..	701	543	891	592	513	497	3,737
Bacon.....do.....	177	156		150	129	129	741
Flour.....do.....	896	777	802	758	656	641	4,530
Beans, navy.....do.....	60	51	54	51	45	42	303
Rice.....do.....	39	35	35	33	28	29	190
Potatoes.....do.....	639	553	571	540	467	456	3,226
Tomatoes.....cans.....	79	69				57	205
Dried fruit.....pounds..	79	69	71	67	58	57	401
Coffee.....do.....	64	55	57	54	46	45	321
Sugar.....do.....	160	138	142	134	116	114	804
Vinegar.....gallons..	4	3½	3½	3½	2½	2½	20
Pickles.....do.....	4	3½	3½	3½	3	3	20½
Soap.....pounds..	32	28	28	27	23	23	161
Salt.....do.....	32	28	28	27	23	23	161
Pepper.....do.....	2	1½	1½	1½	1½	1½	10
Onions.....do.....			142	134	116		392
Candles.....do.....			10½				10½
Number of rations.....	797	691	713	674	583	570	4,028

NATIVES.

Beef, fresh.....pounds..	956	883	1,344	900	929	900	5,912
Bacon.....do.....	66	62			88	85	301
Flour.....do.....					883½	855	1,738½
Rice.....do.....	3,176	2,952	3,136	2,992	2,208	2,137	16,601
Potatoes.....do.....	273	253	269	281	531	513	2,129
Coffee.....do.....	45	42	44	43	110	106	390
Sugar.....do.....	113	105	112	107	220	212	869
Vinegar.....gallons..	4½	4	4½	4½	4½	4½	26
Soap.....pounds..	36	33	36	34	70	68	277
Salt.....do.....	72	67	72	68	70	68	417
Pepper.....do.....	2½	2	2½	2	2	2	12½
Salmon.....cans.....	270	255		255	264	255	1,299
Onions.....pounds..	90	84	89	73	352	542	1,230
Candles.....do.....	13½	12½	13½				39½
Number of rations.....	1,815	1,687	1,792	1,710	1,767	1,710	10,481

EXHIBIT I.—Condition of prisoners' deposit funds—amounts on hand September 1, 1903, amounts received and expended during the year, and balance on hand June 30, 1904.

Period.	U. S. currency.	Philippine currency.	Mexican currency.
On hand Sept. 1, 1903.....	\$815.31		\$1,121.46
Received Sept. 1, 1903, to June 30, 1904.....	916.87	₱2,301.19	1,791.42
Total.....	1,732.18	2,301.19	2,912.88
Total disbursed and refunded during the period from Sept. 1, 1903, to June 30, 1904.....	1,099.60	738.19	2,748.87
Balance on hand June 30, 1904.....	632.58	1,563.00	164.01
Total.....	1,732.18	2,301.19	2,912.88

EXHIBIT G.—Quantity and cost of subsistence of sick prisoners of all nationalities, and the average cost per day and year, for the fiscal year ending June 30, 1904.—Continued.

Articles.	February, 1904.		March, 1904.		April, 1904.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Lard.....pounds..	10	P3.20	20	P6.40	40	P12.80
Onions.....do.....	140	7.17	115	5.89	250	11.25
Potatoes.....do.....	330	14.52	600	26.40	700	21.00
Salmon.....cans.....					10	1.60
Tea.....pounds.....	2	1.58	4	3.16	3	2.40
Tomatoes.....cans.....	33	9.90	60	18.00	54	15.66
Vinegar.....gallons.....	1	.99	1	1.45	3	2.97
Oatmeal.....pounds.....	35	7.00	55	11.00	52	14.56
Prunes.....do.....	10	2.10	5	1.05	20	4.20
Pepper.....do.....	2	1.49	4	3.96	2	1.98
Beef, extract.....bottles.....	4	5.72			4	5.72
Cocoa.....pounds.....	2	2.28	2	2.48	5	6.20
Cornstarch.....packages.....	5	1.20				
Peaches.....pounds.....	10	.70	5	.35		
Crackers, soda.....do.....			8	2.24	8	2.24
Milk, malted.....bottles.....					12	51.72
Total.....		453.82		569.61		591.18

Articles.	May, 1904.		June, 1904.		Total.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Regular ration.....						P1,299.00
Rice.....pounds.....	550	P28.08	555	P25.31	3,075	147.11
Beef, fresh.....do.....	478	152.96	600	192.00	3,490	1,082.58
Sugar.....do.....	400	44.00	375	41.25	2,498	273.35
Flour.....do.....	800	49.28	720	42.77	5,976	356.92
Salt.....do.....	60	1.20	60	1.20	384	19.83
Eggs.....number.....	1,488	44.64	1,440	43.20	19,446	555.71
Mongos.....pounds.....					227	16.48
Chickens.....number.....	56	28.00	44	22.00	1,163	543.80
Cream, evaporated.....cans.....	576	126.72	672	147.84	5,153	1,065.65
Ice.....pounds.....					12,000	120.00
Lemons.....number.....			50	4.00	614	49.12
Bacon.....pounds.....					62	29.50
Beans, navy.....do.....	30	3.30			95	10.45
Potatoes, sweet.....do.....	100	2.50			460	15.05
Baking powder.....cans.....					3	1.77
Beef, corned.....pounds.....	4	1.10	12	3.30	158	50.05
Coffee.....do.....	23	6.90	10	3.00	148	45.10
Ginger root.....do.....					23	1.84
Lard.....do.....	80	25.60	70	22.40	250	78.80
Onions.....do.....	400	18.00	400	18.00	1,430	66.63
Potatoes.....do.....	700	21.00	900	36.00	3,830	145.32
Salmon.....cans.....	4	.64			28	4.48
Squash.....pounds.....					20	.80
Tea.....do.....	7	5.60	6	7.03	29	23.72
Tomatoes.....cans.....	80	23.20			320	94.66
Vinegar.....gallons.....	2	1.98	3	2.97	12	12.34
Oatmeal.....pounds.....	80	22.40	54	6.48	336	78.24
Prunes.....do.....	15	3.15			60	12.60
Pepper.....do.....	3	2.87	4	4.84	17	17.22
Beef, extract.....bottles.....					8	11.44
Cocoa.....pounds.....	8	9.92			17	20.88
Cornstarch.....packages.....					5	1.20
Peaches.....pounds.....					15	1.05
Crackers, soda.....do.....	8	2.24	4	1.12	28	7.84
Milk, malted.....bottles.....			6	41.22	18	92.94
Total.....		625.38		665.93		6,353.47

Total number of day's board..... 15,494
Average cost per prisoner per day (cents Philippine currency)..... 41
Average cost per prisoner per year..... P150.06

EXHIBIT H.—*Quantity of subsistence stores furnished by depot commissary for military prisoners for the fiscal year ending June 30, 1904.*

AMERICANS.

Articles.	Jan.	Feb.	Mar.	Apr.	May.	June.	Total.
Beef, fresh.....pounds..	701	543	891	592	513	497	3,737
Bacon.....do.....	177	156	.....	150	129	129	741
Flour.....do.....	896	777	802	758	656	641	4,530
Beans, navy.....do.....	60	51	54	51	45	42	303
Rice.....do.....	39	35	35	33	28	29	199
Potatoes.....do.....	639	553	571	540	467	456	3,226
Tomatoes.....cans.....	79	69	.....	.....	.....	57	205
Dried fruit.....pounds..	79	69	71	67	58	57	401
Coffee.....do.....	64	55	57	54	46	45	321
Sugar.....do.....	160	138	142	134	116	114	804
Vinegar.....gallons..	4	3½	3½	3½	2½	2½	20
Pickles.....do.....	4	3½	3½	3½	3	3	20½
Soap.....pounds.....	32	28	28	27	23	23	161
Salt.....do.....	32	28	28	27	23	23	161
Pepper.....do.....	2	1½	1½	1½	1½	1½	10
Onions.....do.....	.....	.....	142	134	116	.....	392
Candles.....do.....	.....	.....	10½	.....	.....	.....	10½
Number of rations.....	797	691	713	674	583	570	4,028

NATIVES.

Beef, fresh.....pounds..	956	883	1,344	900	929	900	5,912
Bacon.....do.....	66	62	.....	.....	88	85	301
Flour.....do.....	.....	.....	.....	.....	883½	855	1,738½
Rice.....do.....	3,176	2,952	3,136	2,992	2,208	2,137	16,601
Potatoes.....do.....	273	253	269	281	531	513	2,129
Coffee.....do.....	45	42	44	43	110	106	390
Sugar.....do.....	113	105	112	107	220	212	869
Vinegar.....gallons..	4½	4	4½	4½	4½	4½	26
Soap.....pounds.....	36	33	36	34	70	68	277
Salt.....do.....	72	67	72	68	70	68	417
Pepper.....do.....	2½	2	2½	2	2	2	12½
Salmon.....cans.....	270	255	.....	255	264	255	1,299
Onions.....pounds.....	90	84	89	73	352	542	1,230
Candles.....do.....	13½	12½	13½	.....	.....	.....	39½
Number of rations.....	1,815	1,687	1,792	1,710	1,767	1,710	10,481

EXHIBIT I.—*Condition of prisoners' deposit funds—amounts on hand September 1, 1903, amounts received and expended during the year, and balance on hand June 30, 1904.*

Period.	U. S. currency.	Philippine currency.	Mexican currency.
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Balance on hand June 30, 1904.....	632.58	1,563.00	164.01
Total.....	1,732.18	2,301.19	2,912.88

STATEMENTS SHOWING MOVEMENTS IN PRISON POPULATION RELATIVE TO CRIMES COMMITTED, COURTS, AGES, OCCUPATIONS, ETC.

TABLE I.—Daily count of prisoners during fiscal year ending June 30, 1904.

Day.	1903.						1904.					
	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	June.
1.....	2,778	2,983	3,173	3,302	3,438	3,084	3,787	3,894	4,086	4,296	4,366	4,404
2.....	2,801	2,978	3,161	3,316	3,447	3,742	3,805	3,894	4,099	4,316	4,404	4,399
3.....	2,793	2,987	3,155	3,296	3,460	3,722	3,801	3,896	4,093	4,306	4,398	4,376
4.....	2,788	2,977	3,176	3,292	3,453	3,723	3,807	3,920	4,098	4,313	4,399	4,381
5.....	2,774	2,965	3,188	3,299	3,489	3,744	3,806	3,916	4,095	4,300	4,393	4,373
6.....	2,777	3,018	3,179	3,299	3,483	3,697	3,832	3,909	4,091	4,294	4,398	4,384
7.....	2,791	3,023	3,184	3,323	3,500	3,695	3,842	3,900	4,116	4,286	4,402	4,380
8.....	2,790	3,027	3,185	3,329	3,491	3,698	3,841	3,906	4,126	4,293	4,397	4,387
9.....	2,788	3,015	3,190	3,330	3,483	3,695	3,840	3,923	4,133	4,312	4,393	4,386
10.....	2,790	3,017	3,185	3,349	3,501	3,694	3,832	3,939	4,162	4,366	4,407	4,383
11.....	2,842	3,073	3,221	3,340	3,512	3,695	3,830	3,929	4,155	4,316	4,427	4,370
12.....	2,842	3,090	3,237	3,345	3,512	3,720	3,836	3,930	4,170	4,307	4,415	4,371
13.....	2,858	3,121	3,234	3,351	3,518	3,713	3,831	3,936	4,168	4,324	4,414	4,371
14.....	2,851	3,123	3,238	3,342	3,520	3,706	3,839	3,931	4,172	4,315	4,421	4,366
15.....	2,860	3,127	3,236	3,345	3,517	3,710	3,859	3,924	4,172	4,302	4,405	4,372
16.....	2,860	3,124	3,239	3,351	3,526	3,698	3,856	3,921	4,171	4,302	4,401	4,371
17.....	2,861	3,132	3,229	3,350	3,526	3,703	3,846	3,928	4,166	4,293	4,405	4,356
18.....	2,861	3,122	3,244	3,379	3,588	3,817	3,848	3,935	4,173	4,292	4,411	4,354
19.....	2,858	3,133	3,240	3,367	3,602	3,825	3,860	3,918	4,189	4,295	4,459	4,350
20.....	2,865	3,162	3,243	3,365	3,605	3,817	3,858	3,994	4,181	4,304	4,448	4,345
21.....	2,923	3,173	3,240	3,369	3,706	3,818	3,857	3,990	4,191	4,292	4,419	4,344
22.....	2,928	3,181	3,234	3,364	3,699	3,817	3,888	3,986	4,200	4,300	4,410	4,341
23.....	2,933	3,171	3,241	3,355	3,698	3,816	3,886	3,991	4,207	4,330	4,420	4,336
24.....	2,933	3,173	3,238	3,369	3,699	3,823	3,894	3,993	4,235	4,322	4,412	4,333
25.....	2,938	3,177	3,229	3,381	3,704	3,816	3,885	4,039	4,262	4,395	4,412	4,315
26.....	2,935	3,177	3,289	3,403	3,695	3,820	3,882	4,048	4,258	4,396	4,418	4,312
27.....	2,932	3,168	3,303	3,405	3,693	3,813	3,878	4,074	4,249	4,388	4,404	4,321
28.....	2,932	3,173	3,321	3,406	3,706	3,809	3,885	4,071	4,245	4,390	4,407	4,310
29.....	2,937	3,185	3,314	3,397	3,701	3,809	3,880	4,095	4,295	4,388	4,397	4,317
30.....	2,968	3,181	3,305	3,405	3,694	3,797	3,890	.....	4,311	4,379	4,397	4,318
31.....	2,967	3,184	.....	3,451	.....	3,797	3,887	.....	4,307	.....	4,402	.....
Average..	2,863	3,101	3,228	3,352	3,575	3,755	3,850	3,955	4,179	4,221	4,408	4,388

Average number in confinement daily throughout the year, 3,735.

TABLE II.—Sex and changes in prison population, by months, during fiscal year ending June 30, 1904.

Month.	Commitments.			Dropped from prison records.													
	Male.	Female.	Total.	Expiration of sen- tence.	Payment of fine.	Satisfaction of fine and sentence.	Deaths.	Released on bond.	Cases dismissed.	Pardoned.	Remission of fine or unexecuted por- tion of sentence.	Escapes.	Transfers.	Discharges.			
														Male.	Female.	Total.	
1903.																	
July.....	496	40	536	225	40	11	7	11	20	.....	14	.....	17	305	40	345
August.....	502	40	542	187	54	15	23	9	11	6	16	.....	4	290	45	335
September.....	446	37	483	216	55	15	18	2	28	.....	18	.....	10	332	30	362
October.....	500	58	558	228	69	10	26	3	23	.....	3	.....	50	366	46	412
November.....	525	42	567	213	25	7	36	10	11	.....	8	.....	14	283	41	324
December.....	516	27	543	241	43	3	33	6	40	.....	21	1	54	403	39	442
1904.																	
January.....	381	27	408	208	45	1	20	3	26	1	6	.....	6	281	35	316
February.....	509	25	534	185	44	4	22	14	16	1	19	.....	21	299	27	326
March.....	556	26	582	200	52	4	19	8	33	4	18	.....	32	343	27	370
April.....	413	25	438	223	32	4	28	7	13	.....	19	.....	40	342	24	366
May.....	432	38	470	193	49	4	30	17	67	.....	21	1	65	417	30	447
June.....	313	25	338	202	67	1	25	9	47	1	30	.....	40	384	38	422
Total....	5,589	410	5,999	2,521	575	79	287	99	335	13	193	2	353	4,035	422	4,457	

Of the total number of deaths, 22 occurred at Twin Peaks in the convict camp.

TABLE III.—Changes in population of prison relative to the length of sentence of prisoners in confinement on July 1, 1903, and those received during the fiscal year ending June 30, 1904.

	July 1, 1903.			August 1, 1903.			September 1, 1903.			October 1, 1903.		
	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.
Detention.....	286	93	57	322	120	58	384	128	62	450	115	126
Under 31 days.....	82	116	162	66	153	143	76	145	142	79	162	162
1 to 6 months.....	198	96	72	222	107	76	253	127	108	272	142	117
6 to 12 months.....	138	23	28	133	25	30	128	22	24	126	32	22
12 to 18 months.....	129	11	12	128	9	13	124	7	14	117	14	11
18 months to 2 years.....	32	1	3	33	7	5	35	3	1	37	2	3
2 to 5 years.....	405	34	13	426	33	21	438	29	24	443	28	14
5 to 10 years.....	349	41	5	385	69	7	447	27	22	452	44	8
10 to 20 years.....	565	35	5	595	56	19	632	24	7	649	33	7
20 to 30 years.....	335	64	6	393	19	17	395	23	13	405	39	3
30 to 70 years.....	144	9	1	153	10	2	161	5	4	162	11	3
Life.....	113	1	3	111	10	1	111	2	1	113	1	3
Aggregate.....	2,776	554	363	2,967	608	391	3,184	542	421	3,305	622	476

	November 1, 1903.			December 1, 1903.			January 1, 1904.			February 1, 1904.		
	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.
Detention.....	439	206	106	539	117	130	526	108	62	572	147	99
Under 31 days.....	79	118	131	66	101	105	62	106	114	54	123	109
1 to 6 months.....	297	85	105	277	87	133	231	109	96	244	96	106
6 to 12 months.....	136	32	19	149	23	30	142	16	19	139	16	13
12 to 18 months.....	120	14	4	130	8	18	120	13	20	113	4	5
18 months to 2 years.....	36	7	4	39	2	1	40	1	1	40	3	2
2 to 5 years.....	457	41	16	482	65	24	523	25	15	533	61	14
5 to 10 years.....	488	39	8	519	13	7	525	5	2	528	17	5
10 to 20 years.....	675	39	21	693	70	11	752	13	8	757	41	14
20 to 30 years.....	441	56	1	496	76	11	561	16	4	573	61	7
30 to 70 years.....	170	15	1	184	12	2	194	20	3	211	9	3
Life.....	113	8	1	120	1	1	119	6	2	123	7	.....
Aggregate.....	3,451	670	427	3,694	574	473	3,795	438	346	3,887	585	377

	March 1, 1904.			April 1, 1904.			May 1, 1904.			June 1, 1904.			In confinement June 30, 1904.
	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.	In confinement.	Received.	Dropped.	
Detention.....	620	171	99	692	205	111	786	160	196	750	78	151	677
Under 31 days.....	68	126	120	74	92	106	60	101	106	55	135	130	60
1 to 6 months.....	234	96	100	230	82	105	207	107	99	215	106	92	229
6 to 12 months.....	142	21	21	112	20	29	133	38	36	135	21	19	137
12 to 18 months.....	112	9	12	109	4	23	90	6	14	82	11	11	82
18 months to 2 years.....	41	1	7	35	6	.....	41	1	4	38	3	3	38
2 to 5 years.....	580	47	14	613	23	12	624	17	15	626	16	31	611
5 to 10 years.....	540	32	5	567	14	14	567	33	6	594	8	19	583
10 to 20 years.....	781	54	9	829	42	36	835	18	7	846	5	11	840
20 to 30 years.....	627	57	20	664	29	9	684	31	7	708	17	14	711
30 to 70 years.....	217	5	1	221	1	5	217	5	3	219	4	3	220
Life.....	130	2	1	131	6	2	135	2	3	134	.....	4	130
Aggregate.....	4,095	621	409	4,307	524	452	4,379	519	496	4,402	404	488	4,318

TABLE IV.—*Number of convicts punished during fiscal year ending June 30, 1904.*

Length of sentence.	Number of times punished.															Total number punished.	Grand total confined during year.	Percentage of grand total for each class sentenced.	
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.				Over 15.
30 days or less.....	385	100	49	35	18	3	4	2	2	1							659	1,590	41
30 days to 6 months.....	162	155	126	88	76	41	41	30	28	12	9	8	11	4	6	23	820	1,438	57
6 months to 1 year.....	60	46	57	33	22	16	16	6	12	3	2	2	1	1	3	15	295	1,427	69
1 to 5 years.....	211	202	133	101	118	53	38	23	28	12	14	8	5	6	4	43	999	1,132	88
5 to 10 years.....	200	116	112	55	53	33	19	9	6	6	6	2		1	1	5	654	691	95
10 to 20 years.....	281	177	157	105	45	36	16	18	8	6	5	1		2	1	4	862	995	87
20 to 30 years.....	97	65	58	27	12	13	9	1	3	3	1	2		2			293	823	36
30 to 70 years.....	4	3	5	1		2			1								16	250	6
Life.....	20	23	23	17	8	7	4	1	2	1				1			107	147	73
Total.....	1,420	977	720	462	352	204	147	91	89	44	37	23	17	17	15	90	4,705	7,493	63

During the year 1,934 detention prisoners were in confinement who were not given conduct rating.

TABLE V.—*Educational accomplishment of prisoners in confinement June 30, 1904.*

College or university.....	130
Common school.....	954
Self-educated.....	840
Illiterate.....	2,394
Total.....	4,318
Read and write.....	1,629
Read and can not write.....	295
Illiterate.....	2,394
Total.....	4,318

TABLE VI.—*Known number of times that prisoners in confinement on June 30, 1904, had been convicted.*

First commitment.....	4,076	Tenth commitment.....	1
Second commitment.....	107	Eleventh commitment.....	3
Third commitment.....	48	Fourteenth commitment.....	1
Fourth commitment.....	33	Twentieth commitment.....	1
Fifth commitment.....	19	Twenty-fourth commitment.....	1
Sixth commitment.....	16	Thirty-fourth commitment.....	1
Seventh commitment.....	7		
Eighth commitment.....	3	Total.....	4,218
Ninth commitment.....	1		

TABLE VII.—*Domestic relations of prisoners.*

	In confinement July 1, 1903.	Received.	Dropped.
Married.....	1,321	2,279	1,555
Single.....	1,453	2,670	2,860
Widowers.....		8	3
No record.....	2	42	29
Total.....	2,776	5,999	4,457

TABLE VIII.—*Changes in prison population relative to crimes for which commitments were made.*

	In confinement July 1, 1903.	Received.	Dropped.
Accomplice to assassination.....	4	6	.....
Accomplice to parricide.....	1	1	1
Accomplice to larceny.....	2	6	8
Accomplice to robbery.....	.....	3	2
Adultery.....	10	8	9
Arson.....	19	17	4
Abduction.....	8	4	2
Assault.....	10	41	35
Assault with deadly weapon.....	3	.....	1
Assault with intent to kill.....	18	5	8
Assault and battery.....	49	92	87
Assassination.....	189	94	65
Abortion.....	1	.....	.....
Attempted rape.....	9	9	5
Attempted arson.....	1	6	6
Attempted robbery.....	5	7	5
Attempted assault.....	.....	6	5
Attempted murder.....	1	1	1
Attempted larceny.....	3	3	4
Attempted homicide.....	5	13	8
Attempted bribery.....	3	7	8
Attempted parricide.....	.....	1	.....
Attempted assassination.....	1	.....	.....
Aiding the insurrection.....	5	.....	4
Bigamy.....	5	4	4
Brigandage.....	365	770	153
Burglary.....	18	2	5
Bribery.....	1	8	7
Conspiracy.....	8	71	46
Corruption of minors.....	.....	2	1
Counterfeiting money.....	3	2	3
Counterfeiting bank notes.....	.....	3	.....
Disturbing the peace.....	17	107	105
Discharging firearms.....	2	4	1
Desertion (constabulary).....	1	28	16
Embezzlement.....	56	116	117
Extortion.....	1	.....	.....
Forgery.....	15	54	52
False accusation.....	1	.....	2
Falsification.....	2	5	2
Falsification private document.....	4	7	3
Fraud.....	1	9	10
Frustrated arson.....	2	.....	1
Frustrated robbery.....	1	2	.....
Frustrated larceny.....	.....	2	2
Frustrated assassination.....	13	24	22
Frustrated bribery.....	1	.....	1
Frustrated parricide.....	1	.....	.....
Frustrated homicide.....	2	7	2
Frustrated rape.....	1	2	.....
Frustrated embezzlement.....	1	2	3
Grand larceny.....	.....	2	1
Homicide.....	229	198	67
Highway robbery.....	121	166	40
Illegal detention.....	43	32	27
Illegal association.....	6	.....	1
Insurrection.....	94	105	46
Impersonating an officer of the law.....	11	31	32
Illegal possession of firearms.....	9	21	21
Illegal possession of tools.....	.....	1	.....
Infraction of city ordinance.....	92	1,627	1,618
Immoral act.....	.....	1	1
Larceny.....	148	504	345
Lunacy.....	.....	36	30
Manslaughter.....	41	.....	19
Misappropriation of public funds.....	6	16	5
Murder.....	274	116	46
Negligence of duty.....	6	10	7
Obscenity.....	.....	1	.....
Obtaining goods under false pretenses.....	2	.....	2
Offense against the law.....	.....	1	1
Parricide.....	22	10	3
Perjury.....	2	2	.....
Practicing medicine without a license.....	.....	3	3
Physical injuries.....	.....	4	1
Rape.....	42	69	35
Rebellion.....	18	2	4
Robbery.....	199	273	157
Robbery by four or more persons.....	7	.....	7
Receiving stolen goods.....	.....	1	1

TABLE VIII.—Changes in prison population relative to crimes for which commitments were made—Continued.

	In confinement July 1, 1903.	Received.	Dropped.
Seduction.....		1	1
Sleeping on post.....	3	8	8
Sedition.....	102	219	51
Serious injuries.....	20	35	15
Treason.....	17	32	12
Torture by water.....	1		
Threats.....	5	12	12
Theft.....	182	139	268
Traffic in slavery.....		3	
Unlawful entry.....	13	10	15
Using false schedule.....		1	1
Usurpation of charge.....	1	1	1
Violation of industrial laws.....	1	2	3
Vagrancy.....	122	547	548
Violation of liquor laws.....		8	8
Violation of Act 292, Civil Commission.....		2	
Violation of the immigration laws.....	2	16	17
Violation of the laws of war.....	19	1	6
Violation of oath of allegiance.....	17	2	1
Violation of articles of war.....	12	4	9
Unknown.....	2	162	133
Sequestration and kidnapping.....	17		3
Total.....	2,776	5,999	4,457

TABLE IX.—Nativity of prisoners in confinement.

	In confinement July 1, 1903.	Received.	Dropped.		In confinement July 1, 1903.	Received.	Dropped.
PHILIPPINE PROVINCES.				PHILIPPINE PROVINCES—cont'd.			
Abra.....	11	35	5	Pampanga.....	169	506	469
Albay.....	36	180	30	Pangasinan.....	177	164	115
Ambos Camarines.....	31	75	38	Rizal.....	176	461	403
Antique.....	6	44	21	Romblon.....	8	15	15
Bataan.....	36	108	100	Samar.....	49	84	32
Batangas.....	174	342	267	Sorsogon.....	5	57	9
Batanes.....	4	21	22	Surigao.....	48	18	6
Benguet.....	1	1	1	Tarlac.....	56	86	56
Bohol.....	25	42	12	Tayabas.....	123	57	70
Bulacan.....	198	495	397	Union.....	74	112	84
Cagayan.....	22	38	25	Zambales.....	132	68	58
Capiz.....	75	128	93	Zamboanga.....	14	33	10
Cavite.....	115	343	192	Unknown.....	5	121	102
Cebu.....	63	178	102				
Cottabato.....	1	6		OTHER COUNTRIES.			
Ilocos Norte.....	71	82	51	Australia.....		1	1
Ilocos Sur.....	95	174	74	Austria.....	2	7	8
Iloilo.....	71	156	84	China.....	50	198	197
Isabela.....	12	20	12	Canada.....		4	3
Jolo.....	11	4	1	Great Britain.....	15	53	53
Laguna.....	48	178	124	Germany.....	7	9	9
Leyte.....	85	78	46	India.....	2	8	10
Lepanto-Bontoc.....		2		Italy.....		3	2
Manila.....	171	572	549	Japan.....	2	10	10
Masbate.....	17	12	6	Mexico.....		8	7
Mindoro.....	31	61	34	Russia.....		7	3
Marinduque.....	12	8	6	South America.....	1	6	7
Misamis.....	29	75	31	Spain.....	5	21	19
Mindanao.....	2	5		Turkey.....	1	2	3
Negros Oriental.....	13	27	12	United States.....	79	208	210
Negros Occidental.....	12	11	10				
Nueva Ecija.....	96	160	141				
Nueva Vizcaya.....	2	2					
				Total.....	2,776	5,999	4,457

TABLE X.—Changes in prison population, relative to courts by which prisoners were committed, for the fiscal year ending June 30, 1904.

Courts.	In confinement July 1, 1903.	Received.	Dropped.	In confinement June 30, 1904.
Spanish courts.....	158	4	40	122
General court-martial (United States).....	26	5	10	21
Military commission and provost courts (United States).....	520		110	410
Municipal court, Manila.....	386	3,059	3,022	423
Court of customs appeals.....	1	24	23	2
Court first instance:				
Manila.....	332	641	586	387
Mountain district.....	19	14	10	23
First district.....	29	66	8	87
Second district.....	61	153	15	199
Third district.....	213	133	30	316
Fourth district.....	115	164	52	227
Fifth district.....	172	237	90	319
Sixth district.....	108	371	91	388
Seventh district.....	264	150	92	322
Eighth district.....	41	269	13	297
Ninth district.....	24	79	12	91
Tenth district.....	33	58	25	66
Eleventh district.....	27	137	43	121
Twelfth district.....	123	107	23	207
Thirteenth district.....	81	128	42	167
Fourteenth district.....	13	43	4	62
Fifteenth district.....	29	60	21	68
Justice of peace.....	1		1	
Order of civil governor.....		7	5	2
Constabulary prisoners.....		90	89	1
Total.....	2,776	5,999	4,457	4,318

TABLE XI.—Occupation of prisoners prior to their commitment.

	In confinement July 1, 1903.	Received.	Dropped.		In confinement July 1, 1903.	Received.	Dropped.
Artists.....	1	10	7	Machinists.....	11	19	24
Agents.....	4	6	5	Mariners.....	3		
Accountants.....	4	8	6	Milk sellers.....	2	1	
Barbers.....	11	49	35	Mechanics.....			1
Blacksmiths.....	8	25	19	Musicians.....	7	12	2
Bookbinders.....	1	1		Miners.....	3	3	4
Bakers.....	6	20	1	Masons.....	15	31	26
Beltmakers.....	1	2	2	Motormen.....		1	1
Bookkeepers.....	1	3	1	Newspaper distribu-			
Butchers.....	2	5	6	ters.....	1		
Brokers.....	1	1	1	Photographers.....	3	5	5
Beggars.....	1	71	62	Pilots.....	1	6	4
Carpenters.....	27	149	114	Painters.....	17	60	58
Clerks.....	61	153	92	Printers.....	6	13	12
Cooks.....	27	95	89	Policemen.....	9	33	36
Coachmen.....	79	488	441	Postmasters.....	1		
Chaplain.....	2	2	1	Physicians.....	4	1	2
Confectioner.....	2	2	1	Porters.....		3	3
Cigarmakers.....	21	95	79	Packers.....	5	5	10
Cargadors.....	1	1	2	Servants.....	71	223	213
Carriagemakers.....	3	9	9	Soldiers.....	25	41	
Draftsmen.....		5	3	Seamen.....	74	217	224
Druggist.....	2	5	5	Seamstresses.....	26	84	94
Engineer.....	4	13	11	Shepherds.....	1		1
Electricians.....	6	1		Students.....	6		22
Fishermen.....	88	163	113	Silversmiths.....	7	34	23
Farmers.....	274	54	99	Shoemakers.....	7	25	20
Foremen.....	4	9	10	Shopmen.....	16	54	53
Furrier.....	1	1		Sanitary inspectors.....			
Firemen.....	4	23	22	Teachers.....	1	7	3
Gardeners.....	3	11	3	Teamsters.....	6	26	28
Grass cutters.....	3	17	16	Tailors.....	13	61	44
Hostlers.....	2	4	2	Tinsmiths.....	5	10	10
Hatters.....	3	10	10	Vendors.....	16	46	59
Harnessmakers.....		2	2	Vaccinators.....		2	2
Interpreters.....	3	4	6	Watchmen.....	2	7	5
Jewelers.....	1	6	9	Weavers.....		10	4
Jockeys.....	1	3	2	Waiters.....		1	1
Journalists.....	2	3	4	Wheelwrights.....		1	
Laundrymen.....	12	11	9	Unknown.....	7	140	145
Laundresses.....	36	161	189				
Laborers.....	1,641	2,960	1,707	Total.....	2,776	5,999	4,457
Merchants.....	51	109	83				

TABLE XII.—*Age of prisoners when received for confinement.*

Age.	In confinement July 1, 1903.	Received.	Dropped.	Age.	In confinement July 1, 1903.	Received.	Dropped.
8 years.....	1	1	1	30 to 40 years.....	711	1,322	967
9 years.....		1	1	40 to 50 years.....	247	483	341
10 years.....	2	6	8	50 to 60 years.....	117	252	194
11 years.....	3	3	5	60 to 70 years.....	44	117	102
12 years.....	8	28	30	70 to 100 years.....	4	45	40
13 years.....	8	32	31	Over 100 years.....		2	1
14 years.....	13	52	46	Age unknown.....	126	182	134
15 years.....	23	112	95				
16 to 20 years.....	331	947	795	Total.....	2,776	5,999	4,457
20 to 30 years.....	1,138	2,414	1,666				

TABLE XIII.—*Signaletic records taken during the fiscal year ending June 30, 1904.*

Prisoners recorded on carpetas.....	5,999
Signalments taken (Bertillon system).....	4,163
Signaletic cards (Bertillon) verified.....	500
Likenesses found identical.....	123
Duplicates furnished secret-service bureau.....	66
Photograph plates made (front and profile).....	6,644
Prints taken from above plates.....	6,974
Nude plates and prints (full view) made for Doctor Folkmar.....	250
Signalments taken (daily average).....	14
Photographs taken (daily average).....	23
Carpetas filed (daily average).....	20
Identification records (carpetas) verified.....	4,165

REPORT OF THE RESIDENT PHYSICIAN.

MANILA, P. I., July 14, 1904.

SIR: I have the honor to submit herewith the annual report of the medical department for the year beginning July 1, 1903, and ending June 30, 1904.

During the year 12,167 prisoners reported at morning sick call. Of this number 11,244 were prescribed for and returned to work, while 923 were admitted to the hospital, 265 died, and 658 recovered.

There were 11,716 visits made to the hospital for the treatment of diseases of the eye, ear, nose, throat, and skin, genito-urinary system, and diseases of minor surgical importance. These prisoners were returned immediately to work, losing on an average one hour a day until cured. The average number of days that each prisoner reported for treatment was seven. The average length of illness in hospital, excluding tuberculosis, was thirteen days.

There were three outbreaks of the major infectious diseases during the year—cholera Asiatica, and pneumonic plague in July and August, and smallpox in March.

Of the 18 cases of cholera, 15 died and 3 recovered. The disease gained entrance to the prison through the agency of dried fish, caught in Manila Bay during the dry season. This food was immediately prohibited and the epidemic promptly ceased.

Plague, pneumonia was introduced by means of bamboo, used in the manufacture of furniture, in the shops. The poles had been delivered to the prison from the esteros, where it had become thoroughly impregnated with the infected waters and slime. Notwithstanding the fact that the bamboo was thoroughly washed and sun dried, the splitting and scraping coincident to manufacture resulted in disseminating the infection through the agency, the dust which, being inhaled into the lungs, caused the disease. The recommendations made by the writer concerning the delivery of bamboo to wagons immediately from the bay or river, and the subsequent disinfection of the same in long tanks, resulted in the extermination of the disease. There were 15 cases of this disease, with 13 recoveries and 2 deaths. This remarkable and gratifying mortality is attributed to prompt diagnosis and immediate treatment with the Japanese plague antitoxin, given boldly in large doses frequently repeated.

Smallpox occurred in its most virulent form, 4 out of 6 ill with the disease dying from the infection.

As the entire prison population is vaccinated every four months, and all new arrivals vaccinated in quarantine, the solution of the cause of the smallpox epidemic lies in the

fact that as the disease has a very long incubation period, and the quarantine, owing to the crowded condition of the prison and to the lack of proper quarantine facilities, being of one day only, is insufficient to render the vaccinated prisoners immune or to admit of the development of the disease if already present previous to admittance to the prison.

The question of quarantine in an institution of the magnitude of this prison is a serious one, and while the writer is fully alive to the difficulties of providing accommodations for the large number of men that enter the prison every day, he most earnestly recommends that some action be taken, as soon as practicable, toward establishing a quarantine building with at least five compartments, allowing for the proper isolation of each day's admissions. In this way a complete and exhaustive examination of each man may be made, not only for cholera, plague, and smallpox, but for the far more important, because less dreaded and therefore less noticed, diseases of tuberculosis and leprosy.

By far the most important disease that has occurred among the prisoners is lobar pneumonia, a disease not commonly recognized as occurring in tropical countries, but which, owing partly to artificially produced conditions, has attained a virulence and strength that makes it stand at the head of the list of death producers.

The cause or causes responsible for the presence of this disease here in the prison deserve careful and thorough investigation and consideration, for it is to prophylaxis, the prevention of disease, that we must look for help, as there is as yet no antitoxine to invoke to counteract the ravages of the disease.

A most complete and conservative investigation of this subject has forced the writer to the conclusion that the presence of lobar pneumonia among the prisoners is due mainly to the overcrowding that exists throughout the entire prison; overcrowding such as it is difficult to comprehend except by actual observation and experience—to the extent that men are forced to sleep as close together as it is possible for them to lie side by side, breathing and rebreathing the poisonous exhalations from lungs and skin, until to one unaccustomed it is inconceivably sickening, repulsive, and unendurable.

The inevitable result of exposure, night after night, to this condition is a lowering of the strength, vitality and resisting powers of the individual that renders him peculiarly susceptible to diseases of the lungs; a ready prey to the germs of pneumonia and tuberculosis.

Estimation of the cubic air space of the ward buildings reveals the fact that buildings that should contain not over 200 men are at present sheltering 500 and over.

A careful and exhaustive study of the subject of the ventilation of sleeping quarters, based upon the peculiar needs and conditions existing in a prison in the tropics, has convinced the writer that each individual should have at least 3 feet of bed space and 300 cubic feet of air space allotted him. This is considered the lowest possible estimate consistent with health and efficiency.

It is therefore recommended that some action be taken, as soon as practicable, toward providing for the enlargement of the sleeping quarters to the needed dimensions.

Another very well marked predisposing cause to diseases of the lungs is the exposure, in thin garments, to the wet and comparatively cold air of the rainy season. As most of the men are unavoidably drenched in the rain during the working day it seems wise and expedient to provide a heavier garment than that worn during the dry season.

During the last month another disease that owes its origin mainly to the overcrowding, namely, beriberi, has broken out among the prisoners. Although as yet there have been but 6 cases, the indications point to a larger number in the near future, provided something is not soon done to improve the conditions.

While every effort possible has been made by the management of the prison to second the writer's endeavor to provide a modern hospital, with the necessary appurtenances, for the treatment of the large number of sick in the prison, the resident physician feels it his duty to invite attention to the inadequate equipment at his disposal for the approved modern treatment of disease, general and surgical, and to request that the matter of providing a complete, modern hospital, with attached quarantine wards, and the employment of four additional American hospital attendants to take the place of the uncertain and doubtfully efficient prison help, be taken up at as early a date as possible.

The resident physician wishes to express his thanks to the management of the government laboratory for the establishment in the prison hospital, of a branch laboratory for diagnostic purposes. This has made possible an accuracy and precision hitherto impossible in the scientific treatment and prevention of disease.

During the three months of its establishment here the writer has made 386 sputum examinations for the diagnosis of tuberculosis of the lungs, 33 blood examinations for malaria, 76 urinalyses and 27 examinations of feces for amebic dysentery.

Appended is a tabulated report of the cases treated in prison for twelve months period ending June 30, 1904.

Respectfully submitted.

WM. R. MOULDEN, M. D.,
Resident Physician.

The WARDEN.

Number of cases treated, recoveries, and deaths in Bilibid Prison for the fiscal year ending June 30, 1904.

IN HOSPITAL.

	American male.	Filipino.		Recovered.	Died.
		Male.	Female.		
Infectious diseases:					
Cholera Asiatica.....		16	2	3	15
Dengue fever.....	1	2		3	
Pneumonic plague.....		15		13	2
Varicella.....		6		2	4
Measles.....		3		3	
		13		13	
Tuberculosis:					
Pulmonary.....		94		27	67
General miliary.....	1	4			5
Mesenteric.....		5			5
Dermal (lupus).....		2		2	
General diseases:					
Rheumatic, acute articular.....		1		1	
Beriberi-dropsica.....		7		3	4
Cerebral hemorrhage.		1			1
Cerebritis.....		1		1	
Cerebral thrombosis.....		1			1
Malarial fever:					
Intermittent.....		151		149	2
Remittent.....		37		30	7
Cachexia.....		16	2	3	15
Kala azar.....		1			1
Hepatic cirrhosis.....		2		2	
Endometritis, acute.....			1	1	
Hemophilia.....		1		1	
Leucocythemia.....		1			1
Morphinism.....	1	a 6		6	1
Senility, asthenia of.....		9		1	8
Uremia.....		8		5	3
Syphilis, tertiary, of tongue and larynx.....		1		1	
Diseases of respiratory system:					
Lobar pneumonia.....		220		139	81
Pleurisy—					
Dry.....		2		2	
With effusion.....		2		1	1
Pulmonary edema.....		1		1	
Pleurodynia.....		3		3	
Fibroid phthisis.....		1			1
Asthma, bronchial.....		1		1	
Bronchitis:					
Acute.....		2		2	
Chronic nontuber.....		3		3	
Diseases of the circulatory system:					
Endocarditis—					
Acute.....		1			1
Chronic.....		6		1	4
Endopericarditis, purulent.....		1		1	1
Fatty degeneration of the heart.....		1			1
Diseases of the digestive system:					
Abscess of liver.....		1		1	
Enteritis, acute—					
Catarrhal.....		2		2	
Chronic catarrhal.....		1			1
Enteroptosis.....		1		1	
Fecal impaction.....		15		14	1
Gastro-enteritis, acute.....		1		1	
Gastritis—					
Catarrhal.....		2		2	
Purulent.....		1			1
Peritonitis, general.....		3		2	1
Gastric ulcer.....		3		3	
Intestinal colic.....		17		17	
Intestinal obstruction (invagination).....		1		1	
Intestinal indigestion.....		2		2	
Intestinal parasites (lumbricoides).....		3		3	
Intestinal amebiasis.....		140		114	26
Parotitis.....		1		1	
Diseases of the genito-urinary system:					
Carcinoma of testicle.....		1		1	
Endometritis, acute.....			1	1	
Nephritis—					
Acute parenchymatous.....		3		1	2
Chronic parenchymatous.....		11		4	7
Chronic interstitial nephritis.....		1			1
Pyonephrosis.....		1		1	
Post-urethral abscess.....		2		2	
Orchitis acute.....		4		4	

a Chinos.

Number of cases treated, recoveries, etc., for the fiscal year ending June 30, 1904—Cont'd.

IN HOSPITAL.—Continued.

	American male.	Filipino.		Recovered.	Died.
		Male.	Female.		
Diseases of the nervous system:					
Hysteria.....			1	1	
Petit mal.....		1		1	
Paretic dementia.....		3			3
Spinal meningitis.....		1		1	
Surgical diseases (operated):					
Tubercular osteitis of tibia and knee joint.....		1		1	
Cellulitis (arm).....		1		1	
Gangrene, foreskin of penis.....		1		1	
Carcinoma of larynx.....		1			1
Cellulitis (hand).....		1		1	
Hydrocele—					
Double.....		2		2	
Single.....		4		4	
Hernia, inguinal.....		4		4	
Erysipelatous, inflammation of leg.....		1		1	
Ischio-rectal fistular.....		3		3	
Cellulitis (foot).....		1		1	
Internal hemorrhoids.....		5		5	
Varix of leg.....		2		2	
Sarcoma, gluteal region.....		1		1	
Urethral stricture.....		6		6	
Sublingual abscess osteosarcoma lower jaw.....		1		1	
Multiple abscesses of thigh.....		1		1	
Lypoma of back.....		1		1	
Lymphangitis, inguinal.....		1		1	
Surgical injuries:					
Burn of foot.....		1		1	
Fracture tibia, compound comminuted.....		1		1	
Fracture skull, base.....		1			1
Gunshot wound, chest and arm.....		1		1	
Lacerated wound, leg.....		1		1	
Multiple gunshot wounds of chest and abdomen.....		1			1
Punctured wound of thigh and back.....		1		1	
Rupture ligaments foot.....		1		1	
Gunshot wound of radius.....		1		1	
Pregnancy, delivered.....			3	3	
Threatened abortion.....			1	1	
Total.....	3	911	9	658	265

HOSPITAL CLINIC.

[Minor surgery, eye, ear, nose and throat, and skin diseases.]

Abscess:		Gunshot wounds—Continued.	
Arm and hand.....	298	Chest.....	287
Face.....	375	Leg, foot, and thigh.....	117
Leg.....	153	Dhobie itch.....	716
Foot.....	516	Impetigo.....	683
Body.....	239	Eczema:	
Cellulitis:		Face and scalp.....	346
Face and head.....	181	Hand and arm.....	127
Arm and hand.....	78	Body.....	461
Leg and foot.....	216	Tinea circinata.....	879
Chancroids:		Orchitis:	
Of penis.....	182	Gonorrheal.....	436
Vulva.....	6	Simple.....	306
Fistula in ano (operated).....	87	Conjunctivitis, gonorrheal.....	17
Incised wounds:		Iritis.....	3
Finger.....	188	Paralysis of muscles of accommodation.....	1
Hand.....	173	Stenosis of lachrymal duct.....	3
Foot.....	96	Hypertrophic rhinitis.....	156
Face and scalp.....	33	Purulent rhinitis.....	7
Lacerated wounds:		Nasal spurs.....	8
Face and scalp.....	181	Deflected septum.....	3
Hand and arm.....	114	Syphilitic necrosis of septum nasal.....	1
Foot and leg.....	213	Pharyngitis.....	267
Burns:		Tonsillitis, acute.....	183
Hand and arm.....	23	Lingual tonsillar hypertrophy.....	7
Face.....	14	Tubercular laryngitis and necrosis of ary-	
Foot.....	68	enoid cartilages.....	1
Ulcers:		Catarrhal laryngitis.....	89
Tertiary syphilitic leg.....	416	Hypertrophy of uvula.....	26
Varicose leg.....	216	Otitis media:	
Traumatic:		Catarrhal.....	21
Foot and leg.....	673	Purulent.....	21
Hand.....	177	Teeth extracted.....	713
Gunshot wounds:		Total.....	12,323
Hand and arm.....	587		

Prescriptions compounded in dispensary, 15,787.

REPORTS OF THE CHAPLAINS.

MANILA, P. I., June 30, 1904.

The WARDEN OF BILIBID PRISON.

SIR: I have the honor to submit herewith a report on religious functions that took place at this prison during the fiscal year ending June 30, 1904, under my direction:

Religious confessions.....	300
Confessions of the sick.....	130
Deathbed confessions.....	130
Communions.....	250
Burial services.....	166
Benedictions.....	166
Church services.....	40

Respectfully submitted.

EZEQUIEL RIVERA, *Chaplain.*

MANILA, P. I., July 28, 1904.

The WARDEN OF BILIBID PRISON.

SIR: I have the honor to submit the following report relative to religious functions carried on in this prison during the fiscal year ending June 30, 1904:

Confessions made by the sick.....	88
Religious confessions.....	90
Deathbed confessions.....	16
Confessions of the condemned.....	1
Baptisms.....	5
Marriages.....	1
Visits to the sick and carcel.....	120
Religious services on Sundays and Catholic holidays.....	65

Respectfully submitted.

CORNELIO TRINIDAD, *Chaplain.*

SUPPLEMENTARY REPORT OF BILIBID PRISON, JULY 1 TO AUGUST 31, 1904.

MANILA, P. I., September 30, 1904.

SIR: I have the honor to submit herewith a report of Bilibid Prison for the months of July and August, which is in addition to the annual report for the fiscal year ending June 30, 1904, heretofore rendered:

PRISON POPULATION.

On June 30, 1904, there were 4,318 prisoners in confinement; during the months of July and August 843 were received and 685 discharged, leaving on hand August 31, 4,476, or a gain in the two months of 158, the average number in confinement during the two months being 4,357.

MAINTENANCE.

The gross cost per capita per day for the two months is 32 centavos, as against 33½ centavos per day during the past fiscal year, or a reduction of 1½ centavos for each prisoner. A contract for supplying meat has been let for balance of fiscal year 1905 at a price 50 per cent less than formerly paid, which goes into effect October 1 and which will materially reduce the cost of maintenance for the ensuing year.

IMPROVEMENTS.

Since the annual report was made the new central clock tower and one new pavilion, 145 by 33 feet, have been completed.

The new warehouse is being used, although not yet completed.

HEALTH.

The overcrowding of this prison with its present accommodations is not conducive to the best of health. At the time the annual report was made, June 30, there were 23 sick in hospital; 238 have been taken sick since then, 36 died, and 183 discharged cured, leaving 42 now sick in hospital.

There being no other available place for the treatment of the insane, they are being sent to this prison for treatment. There are no accommodations in this place for the proper care of these unfortunates, and I hope that some other arrangements for their care can be made. At the present time there are 13 insane persons confined here, 2 of them females.

Since the annual report has been rendered the longevity increase of pay for guards and keepers, as recommended therein, has been adopted by the honorable Commission and has had a marked effect for good on that force.

A new branch of industry will be added on October 1, when this prison assumes control of the wood manufacturing plant of the forestry bureau. This will make a valuable addition to our manufacturing plant and will enable us to teach prisoners the manufacture and development of native woods.

I desire also to recommend the establishment of a rope-manufacturing plant to our other industries, believing that the manufacture of the hemp grown here into rope is an industry that should be encouraged.

Attached hereto you will find tabulated statements of all the financial transactions of this prison during the months of July and August.

To you, sir, I am under many obligations for support and assistance in carrying out the work of this institution, and to the honorable Commission for their support and encouragement.

Respectfully submitted.

M L. STEWART, *Acting Warden.*

The SECRETARY OF COMMERCE AND POLICE,
Manila, P. I.

Condition of the prisoners' deposit funds for the months of July and August, 1904.

Period.	United States currency.	Philippine currency.	Mexican currency.
On hand July 1, 1904.....	\$632.58	₱1,563.00	<i>Pesos.</i> 164.01
Received during July.....	87.03	303.49	353.73
Received during August.....	4.55	1,408.29	194.40
Total to be accounted for.....	724.16	3,274.78	712.14
Disbursed and refunded:			
During July.....	129.11	194.98	421.53
During August.....	101.71	1,323.58	197.99
Balance on hand August 31, 1904.....	493.34	1,746.22	92.62
Total accounted for.....	724.16	3,274.78	712.14

Miscellaneous receipts during the months of July and August, 1904.

Month.	Maintenance of provincial prisoners.	Maintenance of city of Manila prisoners.	Deceased prisoners confiscated, etc.	Sales and laundry department.	Total.
July.....	P3,812.40	P5,295.40	P151.77	P1,582.43	P10,842.00
August.....	8,558.40	5,285.80	23.81	2,639.63	16,507.64
Total.....	12,370.80	10,581.20	175.58	4,222.06	27,349.64

Total cost of maintenance of prisoners confined in Bilibid Prison during the months of July and August, 1904, with average monthly and daily cost per capita.

Salaries and wages of officials and employees.....	P24,806.68
Subsistence of prisoners.....	43,800.69
Prisoners' supplies, including clothing, bedding, rations of tobacco, mess outfits, soap, medicines, etc.....	12,619.27
General expense, including office supplies, lights, policing tools, photographic supplies, transportation and supplies therefor.....	3,201.58
Total cost.....	84,428.22
Daily average number of prisoners.....	4,257.56
Total cost of maintenance per month.....	P42,214.11
Total of maintenance per day.....	1,361.746
Total daily cost per capita.....	.32
Total cost per capita for the period.....	19.8302

Financial statement of bureau of prisons, July and August, 1904.

Date.		Salaries and wages.	Contingent expenses.	Manufacturing department.	Total.
1904.					
July 1	To balance on hand available for expenditure.....	P3,955.19	P41,470.65	P113,829.95	P159,255.79
Aug. 31	To amount appropriated, Act 1225.....	170,000.00	490,000.00	90,000.00	750,000.00
	Total.....	173,955.19	531,470.65	203,829.95	909,255.79
31	By amount of payments made to date.....	24,806.68	60,205.72	21,414.35	115,426.75
31	By balance remaining to credit of bureau.....	149,148.51	462,264.93	182,415.60	793,829.04
	Total.....	173,955.19	531,470.65	203,829.95	909,255.79

REPORT OF THE BUREAU OF COAST AND GEODETIC SURVEY, JULY 1, 1903, TO JUNE 30, 1904.

MANILA, P. I., July 25, 1904.

SIR: I have the honor to report as follows upon the progress of the coast and geodetic survey in the Philippine Islands from July 1, 1903, to June 30, 1904:

On July 1, 1903, Mr. George R. Putnam, assistant, Coast and Geodetic Survey, was chief of bureau and directed its operations in Manila (except between December 1 and 12, when he went on a trip of inspection to the southern islands) up to March 2, on which date he sailed for the United States to consult with the Superintendent of the Coast and Geodetic Survey and for a leave of absence. Mr. Charles C. Yates, assistant, Coast and Geodetic Survey, was in temporary charge for the twelve days in December.

When Mr. Putnam's trip was decided upon the superintendent selected me as assistant in charge of the suboffice, and on this selection I was designated by the honorable civil governor to serve as acting chief of the bureau, and so continued in charge to date.

FIELD WORK.

North coast of Luzon.—The triangulation and topography was extended from Bontolan Point to Bolinao, and then operations had to cease because of the setting in of the rainy season. This survey shows the actual shore line and correct representation of all towns, roads, natural features, and prominent landmarks. The triangulation stations on which it is based have been carefully marked, and will supply bases for extensions of future cadastral surveys and for studies for works of public improvement.

Point Dile to Culili Point.—A hydrographic survey was made of this section of the coast of Luzon, including surveys of Port Currimao and Salomague Harbor.

Manila Bay.—An inshore hydrographic survey was made of the waters of Manila Bay from Malate to a point 4 miles southwest of Sangley Point, including a large scale survey of Bacoor and Cañacao Bays; the topography was completed from Cavite to a point on outside coast due west of Cavite Viejo; a topographical survey was made of the coast line around Malabon; and an examination was made for a shoal off the east end of Caballo Island, marked doubtful on recent charts, but no such danger was found in the position hitherto given.

Danao River and approaches.—The lower part of this river, to the highest point serviceable for navigation, and the coast line around to Escalante was surveyed. This embraces the only protected harbor on the north coast of Negros.

North coast of Panay.—A complete survey, triangulation, topography, and hydrography was made of this coast from Capiz to Port Batan, with the exception of topography and hydrography of Sapián Bay, the change of monsoon preventing the completion of Sapián Bay.

Lagonoy Gulf.—A complete survey was made of Lagonoy Gulf and Tabaco Bay, embracing the triangulation, topography, and hydrography. This includes the south coast of Catanduanes Island, from Point Nagumbuaya to Sialot; Luzon, from Point Bungus to Bagacay; and from northwest point of San Miguel Island to northeast end of Batan Island. The shape of the coast line of Catanduanes Island was materially changed by this survey, but the most important result was the proof of the freedom of the waters of the gulf from large areas of shoals hitherto shown on the charts.

Iloilo Strait and approaches.—Were surveyed on a large scale. The triangulation was extended from a line joining Dumangas Point, Panay, with the northeast point of Guimaras Island, to a line joining Point Dolores, Guimaras, with Talisaya Point, Panay. The topography extended from Dumangas Point, Panay, to Tigbauan, and from northeast point of Guimaras to Point Dolores, on west coast of Guimaras. A detailed survey was made of Iloilo River. The hydrography extended from a section 8 miles east of Siete Pecados light (including the Iguana Bank) to a junction with the work of the navy in Iloilo Harbor, the navy work being supplemented by the survey of a section extending from Lusaran light-house northward, which included Ports Santa Ana and Igan. This survey removes the doubt felt as to the practicability of the use of the eastern approach to Iloilo by large vessels, and shows that a good safe passage for vessels drawing 30 feet exists.

Guimaras Strait.—The survey of this strait was begun on January 10 and continued until March 27, when the steamer had to return to Manila for docking and repairs. The triangulation was extended from center of strait to its southern end, the topography was embraced between the same limits, and the hydrography covers almost an equal area. In the course of the work very extensive changes were made in the previously accepted representation of this section. Rosario Rock was found to be three-fourths of a mile northwest of position shown on charts, and a very much more dangerous condition was found to exist on Pandan Shoal; the survey shows considerable changes in the appearance of the coast line in the area covered.

Geographic positions.—The latitudes and longitudes of Cuyo (on Cuyo Island) and San José Buenavista, Panay, were determined during the year, thus completing the list of desirable points for which necessary telegraph connection could be secured at the time. The determination of the longitude of Manila, through Guam, Midway, Honolulu, and San Francisco, by the Coast and Geodetic Survey, was completed this year, making the first unbroken longitude circuit of the globe.

Magnetic observations.—To secure information necessary for charts, magnetic observations have been made at eight stations. Meridian lines have been laid out at the astronomical stations, and azimuth determinations in connection with all the triangulation work enable surveyors with ordinary instruments to readily lay off true meridians from any two intervisible triangulation stations.

Tidal observations have been made at ten stations. Nine of these were in connection with the various hydrographic operations. At Manila the tidal record is a continuous one for the year; at Iloilo a similar record was obtained for ten months. These supply valuable data for the predictions in the annual tide tables published by the Survey for the Philippine Islands.

Personnel.—The field work has been executed by the following chiefs of parties: J. J. Gilbert, assistant, general survey work with steamer *Pathfinder*; Fremont Morse, assistant, astronomical determinations; John E. McGrath, assistant, astronomical determinations; W. B. Fairfield, assistant, astronomical determinations, topography, and triangulation work; William Bowie, assistant, general survey work with chartered launch; H. F. Flynn, assistant, astronomical determinations, magnetics, triangulation, and topography; R. B. Derickson, assistant, general survey work with steamer *Research* and chartered launch; John Bach, observer, triangulation, and topography.

Steamers.—The Coast and Geodetic Survey steamer *Pathfinder* has been employed in surveys in the archipelago up to May 27, when it was found necessary to send her to Hongkong for extensive overhauling and repairs. While there her launch and boat equipment will be renovated and increased.

The steamer *Research* has been actively employed throughout the year, with the exception of the period between March 27 and June 10. During this time she returned to Manila for extensive overhauling and repairs, and then got back to her working ground.

Five different shipbuilding concerns submitted tenders for the construction of the new steamer which was provided for by the Commission, and, the terms of the Hongkong and Whampoa Dock Company proving to be the best, a contract was made with them on

January 27, which was approved by the civil governor. On February 3 Mr. Charles C. Yates, assistant, proceeded to Hongkong to act as inspecting officer of construction, and the progress on the vessel has continued very satisfactorily; two-fifths of the contract price has already been earned. The steamer is framed, engine bed plates and cylinders are cast, crank and propeller shaft forged, small boats framed, and ship's fittings are well under way. According to the terms of the contract the steamer should be ready for her trial trip on October 15, 1904.

OFFICE WORK.

The scheme of organization of the Manila suboffice continues the same as heretofore reported, and its detailed operations are herewith described. In November extensive changes were made in our quarters in the intendencia building, enlarging greatly the space assigned to the computing and drawing sections, improving the light and air conditions, and placing an admirably situated chamber at our disposal for a storeroom for instruments and general property of the Survey.

Computing.—The computing division continued in charge of Mr. E. R. Frisby, who was regularly assisted by Mr. F. F. Pangan, junior computer, and Mr. Ignacio Cruz, junior clerk. Messrs. McGrath, Ferguson, Fairfield, Flynn, assistants, Coast and Geodetic Survey; Mr. Staples, aid, Coast and Geodetic Survey, and Mr. Bach, observer, were employed in the division at different times on computations necessary for the completion of the field work executed by them and while awaiting orders for the field.

The following is a statement of the work executed in this division during the time covered by this report:

TRIANGULATION.

Office reduction of angles and computation of triangle sides, geographical positions, base measurements, computation of heights and incidental azimuth and time determinations: Vigan to Aparri, north and west coast of Luzon; Capiz to Batan, north coast of Panay; Iloilo Strait and approaches, Point Dumangas to Talisaya Point; Danao River, north coast of Negros; Puerto Galera, Mindoro; Mangarin Bay and Ilin Strait, Mindoro.

Correcting computed triangulation to accord with new data: San Fernando to Bolinao, San Fernando Harbor, Santo Tomas Harbor, Balinao Harbor, and Sual Harbor, west coast of Luzon.

ASTRONOMY.

Computation of differences of longitudes: Cuyo, Cuyo, and Iloilo, Panay; San José de Buenavista and Iloilo, Panay; Ormoc, Leyte, and Surigao, Mindanao; Calapan, Mindoro, and Romblon, Romblon; Batangas, Luzon, and Romblon, Romblon; Masbate, Masbate, and Romblon, Romblon; Boac, Marinduque, and Romblon, Romblon.

Abstracts prepared of 17 volumes containing results of 21 telegraphic longitudes.

Adjustment of longitude nets for telegraphic longitudes in archipelago.

MAGNETICS.

Magnetic declination, dip and horizontal intensity at Batangas, Boac, Calbayoc, Calapan, Catbalogan, Cuyo, Iligan, Legaspi, Romblon, Surigao, San José de Buenavista, Valle Hermosa.

Magnetic declination computed at 18 other stations.

HYDROGRAPHY.

Tabulating of hourly tidal readings from automatic records: Manila, 10 months; Puerto Galera, 2 months; Iloilo, 9 months; Mangarin Bay, 2 months; Capiz, 2 months; Port Sual, 8 months; Inampulugan Island, 2 months.

Reduction of tide staff readings and comparisons with a principal station for Siete Pecados, Santa Ana, Batan, Dagupan, and Bolinao: Reductions of soundings—Lingayen Gulf, 24 volumes; Iloilo, 18 volumes; Guimaras Strait, 8 volumes; Capiz and Batar, 7 volumes; Puerto Galera, 7 volumes; Mangarin Bay, 7 volumes; Danao River, 5 volumes,

MISCELLANEOUS.

Duplicates had to be prepared and verified of all records not completed in field and of all computations and abstracts of results prepared or received in the office. Necessary data in the shape of copies of descriptions of stations, instrumental constants, copies of connecting triangulation are supplied to field parties and in reply to requests from various sources. Also the local values for magnetic declination and standard geographical data were made out for charts in process of construction.

Sailing directions.—In the nautical information section, Mr. J. C. Dow, nautical expert, in charge, has continued the preparation of the bulletin, Notice to Mariners, wherein the earliest practicable information is communicated to the public of all changes, of which we can secure reliable information, which are of importance to mariners. In addition, Section II, Philippine Island Sailing Directions, southwest and south coast of Luzon from Manila to San Bernardino Strait, has been revised and published, and Section III, Sailing Directions for the Coasts of Panay, Negros, Cebu and Adjacent Islands, and Section IV, Sailing Directions for the Coasts of Samar and Leyte and the East Coast of Luzon, have been revised, rewritten to a large extent, and are now in the hands of the printer. The preparation of the sailing directions necessitated trips of inspection to the sections described and actual verification (where no recent surveys have been made) of all new material that had been collected. The nautical information section in Manila, offers all the cooperation within its power to the maritime interests and every possible assistance that lies within the capacity of a hydrographic office is always at the service of shipping interests. The demand for the sailing directions evidences the importance of the want they fill; by the time the printer can supply new copies it is estimated we will not have on hand more than the file copies of Sections III and IV, of which editions 600 each have been published. The regular list for issue of Notice to Mariners now calls for 734 copies of each edition, and there have been 11 numbers published in the period covered by this report.

Drawing section.—The chief duties of this division are: The inking of topographic sheets and the plotting, inking, and verification of such hydrographic sheets as can not be thus prepared in the field; preparation of projections for field parties, and the preparation of finished drawings for chart publications. At the date of the last report the force of draftsmen comprised Messrs. P. B. Castles, and J. P. Keleher in charge of the subdivisions of the section, under whom were 10 native draftsmen. In January the force of native draftsmen was increased to 15, and on the departure of Mr. Castles who was imperilled home for serious family reasons, the entire charge of the division devolved upon Mr. Keleher, who is still in sole charge, but is shortly to give him additional American assistance. The system of verification which accompanies every step of the production insures the independent checking of every sounding, posi-

tion, and feature which go to make it up, and this has been attended to by the chief of the bureau, the chief draftsman. Mr. Charles C. Yates, assistant, aided in this work between July 11 and December 31, and Mr. William Bowie, assistant, has been employed on the same duty between April 23 and June 30.

The work of the native draftsmen is surprisingly excellent and their services are worthy of very great praise, but, as only two of them ever had experience in the class of work on which they are now engaged, scarcely anything can be left to their initiative and the work of supervision has to be incessant and untiring. The task of securing a substitute for Mr. Castles has shown that it is an extremely difficult matter to secure the special class of draftsmen for service over here that is necessary, unless by the payment of very high salaries. A solution of the difficulty is offered by the proposition which has been submitted in the annual estimates, which provides for training two young men (Filipinos), who have demonstrated special aptitude for the work in the Coast and Geodetic Survey Office in Washington. While so engaged their services would be utilized exclusively on Philippine work, and they would be insured instruction and a special training of the highest character.

Statement of work executed between July 1, 1903, and June 30, 1904.

TOPOGRAPHIC SHEETS.

No.	Description.	Scale.	Remarks.
1	Plane table location of hydrographic signals, Lyn- guyen Gulf.	1 : 60,000	Inked.
2	Northward from San Fernando.....	1 : 20,000	Do.
3	Darigayos and vicinity.....	1 : 20,000	Do.
4	Candon and vicinity.....	1 : 20,000	Do.
5	Santa Cruz to Bangar.....	1 : 20,000	Do.
6	Solvec Point to Santiago.....	1 : 20,000	Do.
7	Port Dile to Solvec.....	1 : 20,000	Do.
8	Lapog Bay to Port Solot.....	1 : 20,000	Do.
9	Currimao.....	1 : 5,000	Do.
10	Lapog.....	1 : 20,000	Do.
11	Pasuguin.....	1 : 20,000	Do.
12	Dirique.....	1 : 5,000	Do.
13	Cape Bojeador.....	1 : 20,000	Do.
14	Bangui to Puac Point.....	1 : 20,000	Do.
15	Puac Point to Masisi.....	1 : 20,000	Do.
16	Masisi to Abulug River.....	1 : 20,000	Do.
17	Abulug River to Aparri.....	1 : 20,000	Do.
18	Danao River (upper section).....	1 : 5,000	Do.
19	Danao River (lower section).....	1 : 5,000	Do.
20	Danao River (entrance to Escalante).....	1 : 10,000	Do.
21	Capiz and approaches.....	1 : 20,000	Do.
22	Batan and approaches.....	1 : 20,000	Do.
23	Agodaya Point to Alegria Point.....	1 : 20,000	Do.
24	Guimaras Strait (Inampulugan Island).....	1 : 20,000	Do.
25	Iloilo Strait (middle portion).....	1 : 10,000	Do.
26	Oton and westward.....	1 : 10,000	Do.
27	Iloilo.....	1 : 10,000	Do.
28	Iloilo Strait (Naburul Island to Lusaran Light House).....	1 : 10,000	Do.
29	Iloilo Strait (Molo and vicinity).....	1 : 10,000	Do.
30	Northwest coast of Guimaras (Bondulan Point to Naburul Island).....	1 : 20,000	Do.
31	Iloilo River.....	1 : 2,500	Do.
32	Eastern entrance Iloilo Strait.....	1 : 20,000	Do.
33	Nayon River to Port Caiman.....	1 : 20,000	Do.
34	Port Galera and Varadero Bay.....	1 : 10,000	Do.
35	Dagupan, Lingayen Gulf.....	1 : 10,000	Do.

Guimaras Strait.—The survey of this strait was begun on January 10 and continued until March 27, when the steamer had to return to Manila for docking and repairs. The triangulation was extended from center of strait to its southern end, the topography was embraced between the same limits, and the hydrography covers almost an equal area. In the course of the work very extensive changes were made in the previously accepted representation of this section. Rosario Rock was found to be three-fourths of a mile northwest of position shown on charts, and a very much more dangerous condition was found to exist on Pandan Shoal; the survey shows considerable changes in the appearance of the coast line in the area covered.

Geographic positions.—The latitudes and longitudes of Cuyo (on Cuyo Island) and San José Buenavista, Panay, were determined during the year, thus completing the list of desirable points for which necessary telegraph connection could be secured at the time. The determination of the longitude of Manila, through Guam, Midway, Honolulu, and San Francisco, by the Coast and Geodetic Survey, was completed this year, making the first unbroken longitude circuit of the globe.

Magnetic observations.—To secure information necessary for charts, magnetic observations have been made at eight stations. Meridian lines have been laid out at the astronomical stations, and azimuth determinations in connection with all the triangulation work enable surveyors with ordinary instruments to readily lay off true meridians from any two intervisible triangulation stations.

Tidal observations have been made at ten stations. Nine of these were in connection with the various hydrographic operations. At Manila the tidal record is a continuous one for the year; at Iloilo a similar record was obtained for ten months. These supply valuable data for the predictions in the annual tide tables published by the Survey for the Philippine Islands.

Personnel.—The field work has been executed by the following chiefs of parties: J. J. Gilbert, assistant, general survey work with steamer *Pathfinder*; Fremont Morse, assistant, astronomical determinations; John E. McGrath, assistant, astronomical determinations; W. B. Fairfield, assistant, astronomical determinations, topography, and triangulation work; William Bowie, assistant, general survey work with chartered launch; H. F. Flynn, assistant, astronomical determinations, magnetics, triangulation, and topography; R. B. Derickson, assistant, general survey work with steamer *Research* and chartered launch; John Bach, observer, triangulation, and topography.

Steamers.—The Coast and Geodetic Survey steamer *Pathfinder* has been employed in surveys in the archipelago up to May 27, when it was found necessary to send her to Hongkong for extensive overhauling and repairs. While there her launch and boat equipment will be renovated and increased.

The steamer *Research* has been actively employed throughout the year, with the exception of the period between March 27 and June 10. During this time she returned to Manila for extensive overhauling and repairs, and then got back to her working ground.

Five different shipbuilding concerns submitted tenders for the construction of the new steamer which was provided for by the Commission, and, the terms of the Hongkong and Whampoa Dock Company proving to be the best, a contract was made with them on

January 27, which was approved by the civil governor. On February 3 Mr. Charles C. Yates, assistant, proceeded to Hongkong to act as inspecting officer of construction, and the progress on the vessel has continued very satisfactorily; two-fifths of the contract price has already been earned. The steamer is framed, engine bed plates and cylinders are cast, crank and propeller shaft forged, small boats framed, and ship's fittings are well under way. According to the terms of the contract the steamer should be ready for her trial trip on October 15, 1904.

OFFICE WORK.

The scheme of organization of the Manila suboffice continues the same as heretofore reported, and its detailed operations are herewith described. In November extensive changes were made in our quarters in the intendencia building, enlarging greatly the space assigned to the computing and drawing sections, improving the light and air conditions, and placing an admirably situated chamber at our disposal for a storeroom for instruments and general property of the Survey.

Computing.—The computing division continued in charge of Mr. E. R. Frisby, who was regularly assisted by Mr. F. F. Pangan, junior computer, and Mr. Ignacio Cruz, junior clerk. Messrs. McGrath, Ferguson, Fairfield, Flynn, assistants, Coast and Geodetic Survey; Mr. Staples, aid, Coast and Geodetic Survey, and Mr. Bach, observer, were employed in the division at different times on computations necessary for the completion of the field work executed by them and while awaiting orders for the field.

The following is a statement of the work executed in this division during the time covered by this report:

TRIANGULATION.

Office reduction of angles and computation of triangle sides, geographical positions, base measurements, computation of heights and incidental azimuth and time determinations: Vigan to Aparri, north and west coast of Luzon; Capiz to Batan, north coast of Panay; Iloilo Strait and approaches, Point Dumangas to Talisaya Point; Danao River, north coast of Negros; Puerto Galera, Mindoro; Mangarin Bay and Ilin Strait, Mindoro.

Correcting computed triangulation to accord with new data: San Fernando to Bolinao, San Fernando Harbor, Santo Tomas Harbor, Balinao Harbor, and Sual Harbor, west coast of Luzon.

ASTRONOMY.

Computation of differences of longitudes: Cuyo, Cuyo, and Iloilo, Panay; San José de Buenavista and Iloilo, Panay; Ormoc, Leyte, and Surigao, Mindanao; Calapan, Mindoro, and Romblon, Romblon; Batangas, Luzon, and Romblon, Romblon; Masbate, Masbate, and Romblon, Romblon; Boac, Marinduque, and Romblon, Romblon.

Abstracts prepared of 17 volumes containing results of 21 telegraphic longitudes.

Adjustment of longitude nets for telegraphic longitudes in archipelago.

MAGNETICS.

Magnetic declination, dip and horizontal intensity at Batangas, Boac, Calbayoc, Calapan, Catbalogan, Cuyo, Iligan, Legaspi, Romblon, Surigao, San José de Buenavista, Valle Hermosa.

Magnetic declination computed at 18 other stations.

HYDROGRAPHY.

Tabulating of hourly tidal readings from automatic records: Manila, 10 months; Puerto Galera, 2 months; Iloilo, 9 months; Mangarin Bay, 2 months; Capiz, 2 months; Port Sual, 8 months; Inampulugan Island, 2 months.

Reduction of tide staff readings and comparisons with a principal station for Siete Picos, Santa Ana, Batan, Dagupan, and Bolinao: Reductions of soundings—Lingayen Gulf, 24 volumes; Iloilo, 18 volumes; Guimaras Strait, 8 volumes; Capiz and Batar, 7 volumes; Puerto Galera, 7 volumes; Mangarin Bay, 7 volumes; Danao River, 5 volumes,

MISCELLANEOUS.

Duplicates had to be prepared and verified of all records not completed in field and of all computations and abstracts of results prepared or received in the office. Necessary data in the shape of copies of descriptions of stations, instrumental constants, copies of connecting triangulation are supplied to field parties and in reply to requests from various sources. Also the local values for magnetic declination and standard geographical data were made out for charts in process of construction.

Sailing directions.—In the nautical information section, Mr. J. C. Dow, nautical expert, in charge, has continued the preparation of the bulletin, Notice to Mariners, wherein the earliest practicable information is communicated to the public of all changes, of which we can secure reliable information, which are of importance to mariners. In addition, Section II, Philippine Island Sailing Directions, southwest and south coast of Luzon from Manila to San Bernardino Strait, has been revised and published, and Section III, Sailing Directions for the Coasts of Panay, Negros, Cebu and Adjacent Islands, and Section IV, Sailing Directions for the Coasts of Samar and Leyte and the East Coast of Luzon, have been revised, rewritten to a large extent, and are now in the hands of the printer. The preparation of the sailing directions necessitated trips of inspection to the sections described and actual verification (where no recent surveys have been made) of all new material that had been collected. The nautical information section in Manila, offers all the cooperation within its power to the maritime interests and every possible assistance that lies within the capacity of a hydrographic office is always at the service of shipping interests. The demand for the sailing directions evidences the importance of the want they fill; by the time the printer can supply new copies it is estimated we will not have on hand more than the file copies of Sections III and IV, of which editions 600 each have been published. The regular list for issue of Notice to Mariners now calls for 734 copies of each edition, and there have been 11 numbers published in the period covered by this report.

Drawing section.—The chief duties of this division are: The inking of topographic sheets and the plotting, inking, and verification of such hydrographic sheets as can not be thus prepared in the field; preparation of projections for field parties, and the preparation of finished drawings for chart publications. At the date of the last report the force of draftsmen comprised Messrs. P. B. Castles, and J. P. Keleher in charge of the subdivisions of the section, under whom were 10 native draftsmen. In January the force of native draftsmen was increased to 15, and on the departure of Mr. Castles who was imperatively called home for serious family reasons, the entire charge of the division devolved upon Mr. Keleher, who is still in sole charge, but it is hoped shortly to give him additional American assistance.

The verification which accompanies every step of the production of a chart insures the independent checking of every sounding, posi-

tion, and feature which go to make it up, and this has been attended to by the chief of the bureau, the chief draftsman. Mr. Charles C. Yates, assistant, aided in this work between July 11 and December 31, and Mr. William Bowie, assistant, has been employed on the same duty between April 23 and June 30.

The work of the native draftsmen is surprisingly excellent and their services are worthy of very great praise, but, as only two of them ever had experience in the class of work on which they are now engaged, scarcely anything can be left to their initiative and the work of supervision has to be incessant and untiring. The task of securing a substitute for Mr. Castles has shown that it is an extremely difficult matter to secure the special class of draftsmen for service over here that is necessary, unless by the payment of very high salaries. A solution of the difficulty is offered by the proposition which has been submitted in the annual estimates, which provides for training two young men (Filipinos), who have demonstrated special aptitude for the work in the Coast and Geodetic Survey Office in Washington. While so engaged their services would be utilized exclusively on Philippine work, and they would be insured instruction and a special training of the highest character.

Statement of work executed between July 1, 1903, and June 30, 1904.

TOPOGRAPHIC SHEETS.

No.	Description.	Scale.	Remarks.
1	Plane table location of hydrographic signals, Lyn-gayen Gulf.	1 : 60,000	Inked.
2	Northward from San Fernando.	1 : 20,000	Do.
3	Darigayos and vicinity.	1 : 20,000	Do.
4	Candon and vicinity.	1 : 20,000	Do.
5	Santa Cruz to Bangar.	1 : 20,000	Do.
6	Solvee Point to Santiago.	1 : 20,000	Do.
7	Port Dile to Solvee.	1 : 20,000	Do.
8	Lapog Bay to Port Solot.	1 : 20,000	Do.
9	Currimao.	1 : 5,000	Do.
10	Lapog.	1 : 20,000	Do.
11	Pasuguin.	1 : 20,000	Do.
12	Dirique.	1 : 5,000	Do.
13	Cape Bojeador.	1 : 20,000	Do.
14	Bangui to Puac Point.	1 : 20,000	Do.
15	Puac Point to Masisi.	1 : 20,000	Do.
16	Masisi to Abulug River.	1 : 20,000	Do.
17	Abulug River to Aparri.	1 : 20,000	Do.
18	Danao River (upper section).	1 : 5,000	Do.
19	Danao River (lower section).	1 : 5,000	Do.
20	Danao River (entrance to Escalante).	1 : 10,000	Do.
21	Capiz and approaches.	1 : 20,000	Do.
22	Batan and approaches.	1 : 20,000	Do.
23	Agodaya Point to Alegria Point.	1 : 20,000	Do.
24	Guimaras Strait (Inampulugan Island).	1 : 20,000	Do.
25	Holo Strait (middle portion).	1 : 10,000	Do.
26	Oton and westward.	1 : 10,000	Do.
27	Holo.	1 : 10,000	Do.
28	Holo Strait (Naburul Island to Lusaran Light House).	1 : 10,000	Do.
29	Holo Strait (Molo and vicinity).	1 : 10,000	Do.
30	Northwest coast of Guimaras (Bondulan Point to Naburul Island).	1 : 20,000	Do.
31	Holo River.	1 : 2,500	Do.
32	Eastern entrance Holo Strait.	1 : 20,000	Do.
33	Nayon River to Port Caiman.	1 : 20,000	Do.
34	Port Galera and Varadero Bay.	1 : 10,000	Do.
35	Dagupan, Lingayen Gulf.	1 : 10,000	Do.

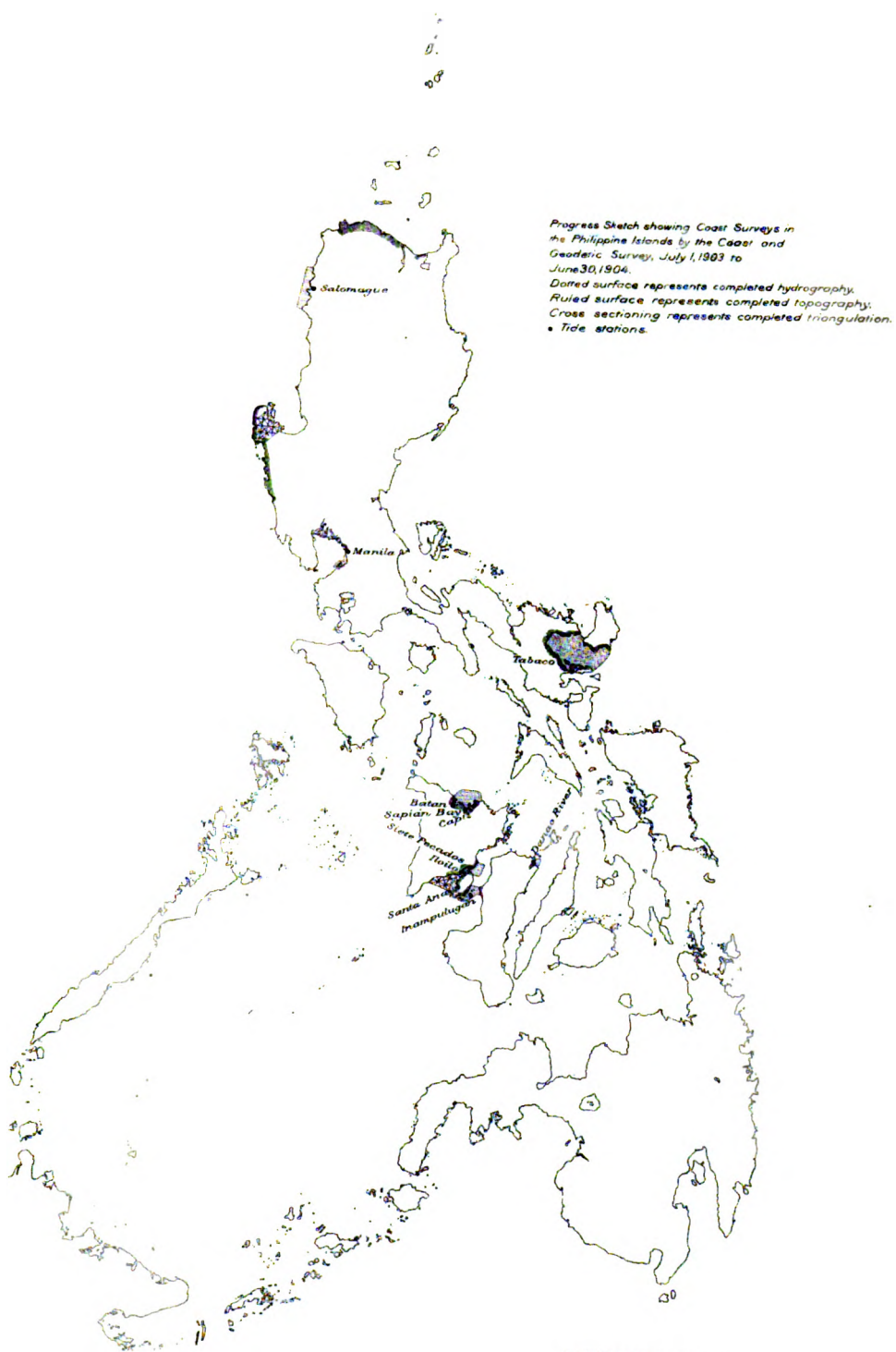
Statement of work executed between July 1, 1903, and June 30, 1904—Continued.

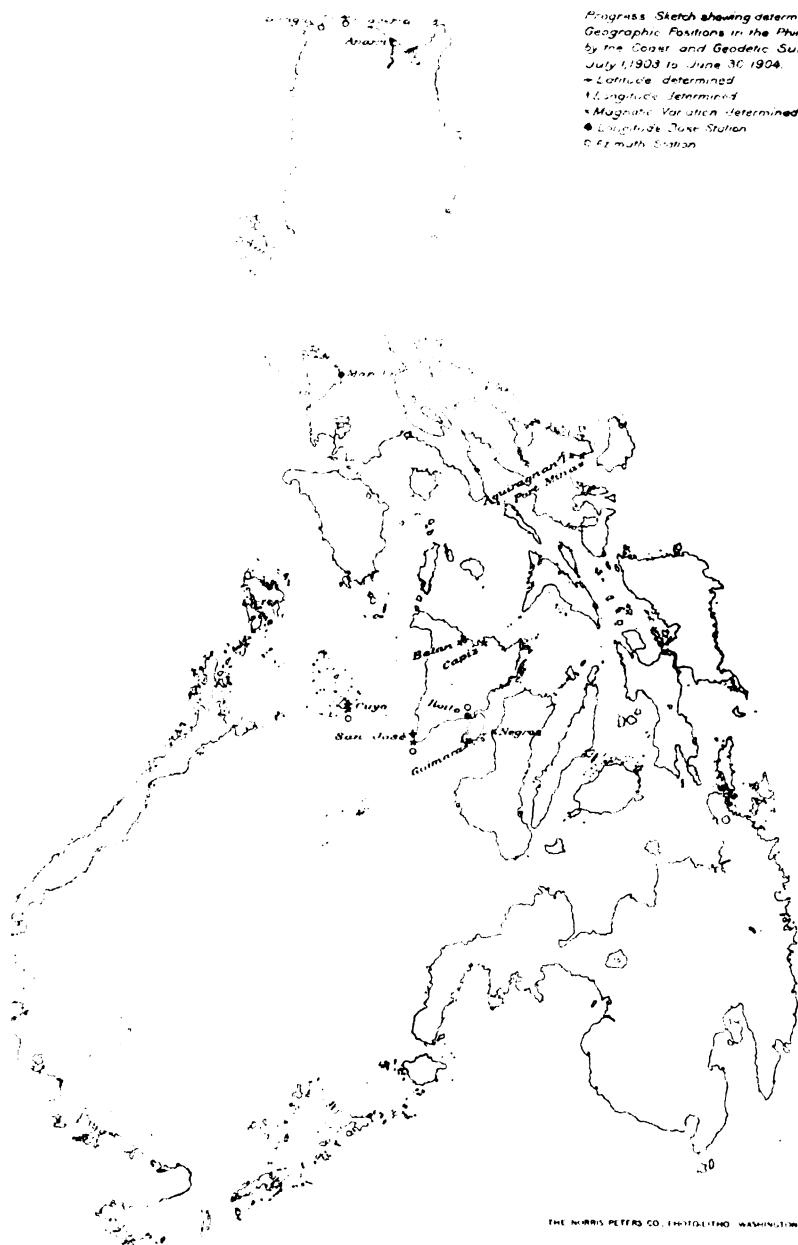
HYDROGRAPHIC SHEETS.

No.	Description.	Scale.	Remarks.
1	Bolinao to San Fernando.....	1: 60,000	Plotted, inked, verified.
2	Port Verde to Panacalan Island.....	1: 15,000	Do.
3	Northwest of Bolinao.....	1: 15,000	Do.
4	Dagupan River and entrance.....	1: 10,000	Do.
5	Northwest part of Lingayen Gulf.....	1: 15,000	Do.
6	San Isidro to Port Verde.....	1: 10,000	Do.
7	General sheet, Lingayen Gulf.....	1: 60,000	Do.
8	Mangarin Bay.....	1: 20,000	Do.
9	do.....	1: 10,000	Do.
10	Port Galera.....	1: 5,000	Do.
11	Varadero Bay.....	1: 5,000	Do.
12	Danao River (entrance and lower part of river).....	1: 5,000	Do.
13	Danao River (upper part).....	1: 5,000	Do.
14	Danao River to Escalante.....	1: 10,000	Do.
15	West part of Sorsogon Bay.....	1: 20,000	Do.
16	San Pedro Bay.....	1: 40,000	Do.
17	South coast of Samar.....	1: 40,000	Do.
18	Southwest coast of Leyte.....	1: 40,000	Verified.
19	Calauga Bay.....	1: 20,000	Do.
20	Lagonoy Gulf (south shore of Catanduanes Island).....	1: 40,000	Do.
21	Lagonoy Gulf (inshore hydrography).....	1: 40,000	Plotted, inked, verified.
22	Lagonoy Gulf (general hydrography).....	1: 80,000	Verified.
23	Tabaco Bay and eastward.....	1: 40,000	Do.
24	Iloilo Harbor.....	1: 10,000	Plotted, inked.
25	Eastern entrance Iloilo Strait.....	1: 15,000	Plotted, inked; one-half completed.
26	Iloilo River.....	1: 25,000	Plotted, inked.
27	Iloilo Strait.....	1: 10,000	Do.
28	West coast of Guimaras Island, between Naburul Island and Lusaran light-house.....	1: 10,000	Do.
29	Capiz and westward.....	1: 15,000	Plotted, inked; one-half completed.
30	Batan and approaches.....	1: 15,000	Do.
31	Southwest coast of Leyte.....	1: 40,000	Verified.
32	San Pedro Bay.....	1: 40,000	Do.
33	Dagupan (Lingayen Gulf).....	1: 10,000	Plotted, inked, verified.

CHARTS COMPLETED SINCE LAST REPORT.

4715	Southeastern part of Luzon.....	1: 400,000	Sent to Washington for publication.
4718	Panay, Negros, and Cebu.....	1: 400,000	Do.
4719	Leyte and Surigao Strait.....	1: 400,000	Do.
4221	Albay Gulf and part of Lagonoy Gulf.....	1: 100,000	Chart printed.
4426	Southwest coast of Leyte.....	1: 100,000	Do.
	Plan of Maasin.....	1: 10,000	Do.
4262	Cagayan River.....	1: 80,000	Do.
4264	Sulomague.....	1: 20,000	Do.
4314	Port Galera and Varadero Bay.....	1: 10,000	Do.
4451	Approaches to Catbalogan.....	1: 50,000	Do.
4450	San Juanico Strait and Tacloban Harbor.....	1: 50,000	Do.
	Tacloban Harbor.....	1: 20,000	Do.
4263	Port San Vicente.....	1: 20,000	Do.
4343	Puerto Princesa.....	1: 40,000	Do.
4219	Passages between Luzon and Masbate and Sorsogon Bay.....	1: 100,000	Sent to Washington for publication.
4311	Southern part of Mindoro and Semerara Islands.....	1: 100,000	Do.
	Plan of Mangarin Bay.....	1: 40,000	Do.
4613	Iligan Bay (plans of Misamis, Jiminez, Inamucan).....	1: 100,000	Do.
4241	Sual Harbor.....	1: 15,000	Do.
4643	Anchorage on south coast of Mindanao.....	.....	Do.
4453	Harbors of Marinduque and Tablas islands.....	.....	Do.
4455	Harbors on coast of Masbate.....	.....	Do.
4454	Harbors on Burias and Ticao islands.....	.....	Do.
4452	Danao River and approaches.....	1: 10,000	Do.



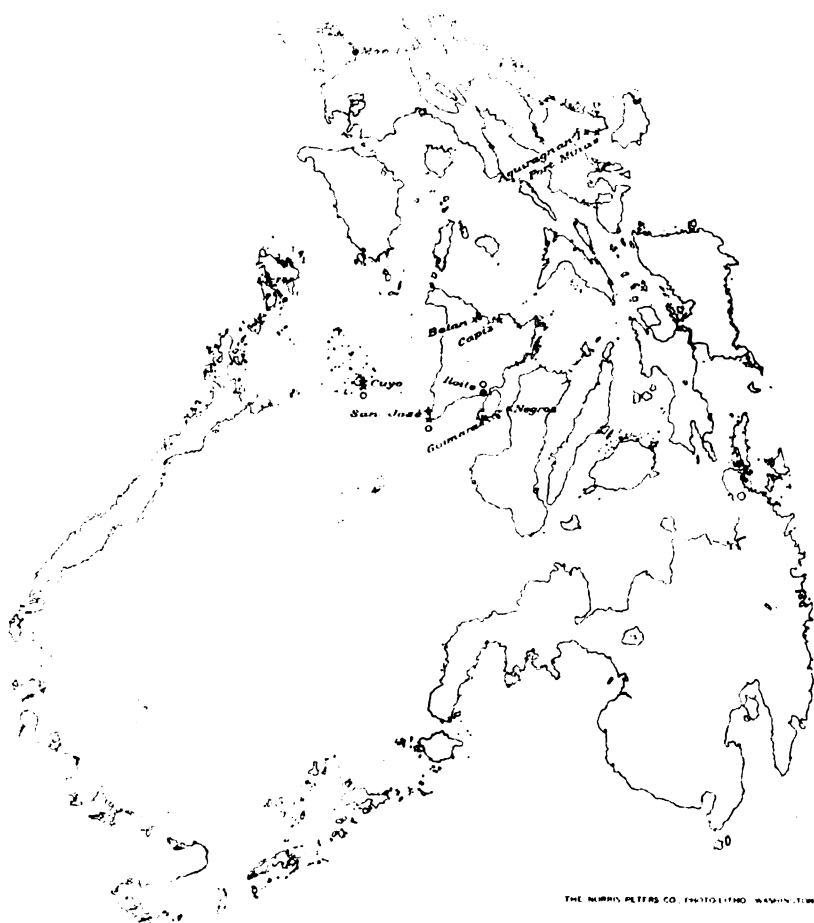


THE MORRIS PETER CO. PHOTO-LITHO WASHINGTON, D. C.

10° 15' N
 120° 15' E
 Manila

Progress Sketch showing determination of
 Geographic Positions in the Philippine Islands,
 by the Coast and Geodetic Survey,
 July 1, 1903 to June 30, 1904.

— Latitude determined
 + Longitude determined
 x Magnetic Variation determined
 ● Longitude Base Station
 ○ Azimuth Station



Statement of work executed between July 1, 1903, and June 30, 1904—Continued.

CHARTS APPROACHING COMPLETION.

No.	Description.	Scale.	Remarks.
4417	Northeast of Panay.....	1 : 100,000	90 per cent completed; to be mailed to Washington in August.
4511	Basilan Strait, including Zamboanga.....	1 : 100,000	Do.
4619	Eastern part of Ilana Bay.....	1 : 100,000	Do.
	Plan Polloc Harbor.....	1 : 40,000	
4265	Harbors on east coast of Luzon.....	1 : 50,000	80 per cent completed; to be mailed in August.
4457	Guiuan and approaches.....	1 : 50,000	To be mailed to Washington in August.
4423	Southern part of Samar and San Pablo Bay.....	1 : 100,000	80 per cent completed; to be mailed to Washington in August.
4448	Iloilo Strait and Harbor.....	1 : 15,000	70 per cent completed.
4253	Tabaco Bay.....	1 : 40,000	80 per cent completed.
4251	Bolinao Harbor.....	1 : 20,000	Do.
4245	Anchorage, Verde Island Passage.....		60 per cent completed.
4266	Harbors on northwest coast of Luzon.....		Do.
4456	Harbors in Samar and Leyte.....		Do.
4614	Anchorage on north coast of Mindanao.....		Do.
4209	Lingayen Gulf.....	1 : 100,000	50 per cent completed; awaiting reduction of 1904 survey.
4222	Lagonoy to Sisiran Bay.....	1 : 100,000	50 per cent completed.
4458	Harbors in Cebu and Negros.....		Do.
4514	Tawitawi Islands.....	1 : 100,000	Do.
4710	Batan Islands and channels between Luzon and Formosa.....	1 : 400,000	40 per cent completed.

ADDITIONAL DRAWINGS FOR NEW EDITIONS.

4221	Albay Gulf and part of Lagonoy Gulf.....	1 : 100,000	
4248	Santo Tomas Harbor, material for new edition.....	1 : 20,000	

MISCELLANEOUS WORK.

Nine topographical sheets showing surveys from Vigan to Claveria were traced for the provincial government of Ilocos Norte.

One draftsman was employed for two weeks in the determination of the areas of the friars' land under the bureau of engineering.

A number of projections were prepared for field parties, and some tracings were made for the army, constabulary, and treasury. The time of one draftsman is exclusively required to color lights, buoys, and beacons, and add newly confirmed dangers on published charts.

MISCELLANEOUS DIVISION.

Mr. W. H. MacDonald, chief clerk. Here the correspondence of the office is typewritten and copied; all the files are kept; copies are made of all accounts, reports, and descriptive sheets; the record of all party and office expenses is made; the inventories are checked, and direct supervision of repairs to and care of all government property is exercised. This clerk also has charge of the published charts and accounts with chart agents and attends to the distribution of all the Survey publications. The duties of the clerk have now outgrown the capacity of any one man to attend to them properly, and it is hoped that in the coming fiscal year additional help will be granted.

The number of charts distributed for official use or disposed of by sale in the islands from July 1 to June 30 was 4,251.

Statement of work executed between July 1, 1903, and June 30, 1904—Continued.

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No.	Description.	Scale.	Remarks.
4417	Northeast of Panay.....	1 : 100,000	90 per cent completed; to be mailed to Washington in August.
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4619	Eastern part of Iliana Bay.....	1 : 100,000	Do.
	Plan Polloc Harbor.....	1 : 40,000	
4265	Harbors on east coast of Luzon.....	1 : 50,000	80 per cent completed; to be mailed in August.
4457	Guiuan and approaches.....	1 : 50,000	To be mailed to Washington in August.
4423	Southern part of Samar and San Pablo Bay.....	1 : 100,000	80 per cent completed; to be mailed to Washington in August.
4448	Iloilo Strait and Harbor.....	1 : 15,000	70 per cent completed.
4253	Tabaco Bay.....	1 : 40,000	80 per cent completed.
4251	Bolinao Harbor.....	1 : 20,000	Do.
4245	Anchorage, Verde Island Passage.....		60 per cent completed.
4266	Harbors on northwest coast of Luzon.....		Do.
4436	Harbors in Samar and Leyte.....		Do.
4644	Anchorage on north coast of Mindanao.....		Do.
4209	Lingayen Gulf.....	1 : 100,000	50 per cent completed; awaiting reduction of 1904 survey.
4222	Lagonoy to Sisiran Bay.....	1 : 100,000	50 per cent completed.
4458	Harbors in Cebu and Negros.....		Do.
4514	Tawitawi Islands.....	1 : 100,000	Do.
4710	Batan Islands and channels between Luzon and Formosa.....	1 : 400,000	40 per cent completed.

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4245	Anchorage, Verde Island Passage.....		60 per cent completed.
4266	Harbors on northwest coast of Luzon.....		Do.
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4209	Lingayen Gulf.....	1 : 100,000	50 per cent completed; awaiting reduction of 1904 survey.
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The number of charts distributed for official use or disposed of by sale in the islands from July 1 to June 30 was 4,251.

Number of charts received from the Coast and Geodetic Survey office in Washington from July 1, 1903, to June 30, 1904, 4,125.

The number of charts printed in Manila July 1, 1903, to June 30, 1904, was 3,366.

Between July 11 and February 2, besides duties in connection with chart verification, Mr. Charles C. Yates, assistant, was engaged in the preparation of preliminary plans and specifications for the construction of a launch and the Survey steamer which is now being constructed in Hongkong.

The Survey is indebted for many favors to other bureaus and offices of the general and insular governments, but particular acknowledgment must be made for valuable information and material help to the bureau of coast guard and transportation, the chief quartermaster, the chief engineer officer, and the chief signal officer of the United States Army in the Philippines; the bureau of engineering, and to the masters of the merchant marine, who attest by their ready response to our request for cooperation their appreciation of the efforts being made to improve up to the requirements of modern standards the charts and sailing directions of the Philippine Islands.

The cost of the survey, as in the past year, has been met by a division of expenses between the United States and the Philippine government. The United States has defrayed all the expenses for the field officers and experts detailed for service in the islands, the lithographing, engraving, and publishing of charts, and furnished the instrumental outfit and supplies from the United States. The Philippine government has defrayed the local field and office expenses, maintained the steamer *Research*, and is paying for the construction of the Survey vessel now building at Hongkong.

Two sketches are submitted herewith, which show graphically the extent of the field work for the period of this report.

Yours, respectfully,

JOHN E. McGRATH,

Assistant, Coast and Geodetic Survey, in charge of Office.

THE SECRETARY OF COMMERCE AND POLICE,

Manila, P. I.

THIRD ANNUAL REPORT
OF THE
SECRETARY OF FINANCE AND JUSTICE
TO THE
PHILIPPINE COMMISSION.

347

REPORT OF THE SECRETARY OF FINANCE AND JUSTICE.

DEPARTMENT OF FINANCE AND JUSTICE,
Manila, P. I., November 15, 1904.

GENTLEMEN: I hereby submit a report on matters, legislative and executive, pertaining to the department of finance and justice in the Philippine Islands during the period from September 1, 1903, to September 1, 1904.

Some of the data contained in this report are brought down to a date later than September 1, 1904, but unless otherwise stated this report will cover the year from September 1, 1903, to September 1, 1904.

ADMINISTRATION OF JUSTICE.

Prior to the date of the second annual report from this office to the Commission, November 6, 1903, new legislation had been enacted covering the subject of leaves of absence of judges, changing the times and places of holding the supreme court and rearranging the judicial districts and times and places of holding the court in each province, creating two additional judicial districts, revising certain provisions of law as to special terms of court, and making more adequate provision as to traveling expenses of judges, fiscals, and clerks.

Under the partial reorganization of the courts, as above stated, the administration of justice has been conducted throughout the islands in a manner on the whole satisfactory. The larger number of judges authorized by the legislation referred to has enabled the courts substantially to keep abreast of all litigation. Indeed, in some of the districts the judges have not been fully occupied and have been available for temporary transfers to other fields of labor. The liberal provisions of law for leaves of absence for judges enabled six of the judges, after three years' continuous service, to be absent from the Philippine Islands, in the United States or elsewhere, for practically five months each, from May 1 until October 1. But by temporary assignment of judges at large to special districts and by detailing judges of the court of customs appeals for duty in the courts of first instance the regular July, August, and September terms of every court of first instance have been held at the proper time and the dockets finished. The return of the absent judges, together with the utilization of the judges at large, will enable the regular subsequent terms to be held at the times fixed by law.

In the supreme court the situation has not been so fortunate. At the close of the court year, May 1, 1904, two of the judges of the

supreme court, the Hon. Charles A. Willard and the Hon. John T. McDonnough, much to the regret of the government, tendered their resignations, which were accepted. Both were able judges, and Judge Willard, by several years' service, had acquired a thorough knowledge of the Spanish language and of the law prevailing in the islands. His retirement from the insular service was a distinct loss to the judiciary. Judge McDonnough served for a shorter period, but had proven himself to be an able and upright jurist. At the same time that Judges Willard and McDonnough retired three other judges of the supreme court availed themselves of their five months' leave of absence, authorized by law after three years' service, and went to the United States, leaving but two judges of the supreme court on duty. The law requires five judges to constitute a quorum, and consequently the supreme court has been unable to hold sessions since the 1st day of May, 1904, the vacancies created by the resignation of Judges Willard and McDonnough not having been filled. This fact has resulted in a large accumulation of business in the supreme court, to the great detriment of the litigants and particularly to alleged criminals whose cases are pending in the supreme court. The court will probably be able to reconvene some time in December, with a bare quorum, should all the judges who are now holding office be in Manila and ready for service. It is not believed that this unfortunate condition will soon again arise.

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Civil cases	242
Criminal cases	591
Total	833

The number of cases disposed of by that court in the court year, from July 1, 1903, to May 1, 1904, either by trial and decision or otherwise, was 339.

No cases have been disposed of since the 1st of July owing to the want of a quorum in the court. The situation, therefore, is that if cases are not disposed of more rapidly by the supreme court in the future than in the past year it will be more than two years and a half before a case entered in the supreme court at this time or subsequently can be disposed of. This condition of affairs is most disastrous, and results in a practical denial of justice in many cases.

The difficulties arising from the want of a quorum during the first half of the court year of 1904 and 1905 will be corrected if the Philippine bill now pending in Congress is passed, one of the provisions of which is that in the absence of a quorum one or more judges of the court of first instance may be detailed to sit with the supreme court to constitute a quorum. This provision, however, does not strike at the root of the difficulty.

It is possible that the supreme court may be able to expedite the work which has accumulated by having longer hours for the hearing of cases and by restricting the length of time allowed for argument. Probably, however, some legislation may be necessary to furnish temporary relief and enable the court to get abreast of its business. The desired relief might be obtained by creating a supreme court commission for temporary service, which should take the burden of hearing, and recommending to the court for decision all civil cases where the

amount involved does not exceed \$2,000 United States money, and all criminal cases where the penalty provided by law to be imposed does not exceed two years' imprisonment. The effect of such a provision would be to relieve the supreme court from the drudgery of hearing a large number of cases in which comparatively small interests are involved, the smaller cases receiving not only the careful consideration of the courts of first instance, but also that of a commission of good lawyers or judges appointed for that purpose.

The amount of criminal business has during the past year, as for many years before, been largely in excess of the civil. Great numbers of people have been convicted of "bandolerismo," or robbery in hands, and much of the time of the court has been occupied in disposing of criminals of this character. The greater degree of good order that now prevails throughout the archipelago renders it probable that this branch of judicial duty will be much less in the coming year than in the past. The judges, native and American, have justified their appointments by the character of their work, and little criticism is made as to the administration of justice in the higher courts, aside from the delay in the supreme court. The prosecuting officers are substantially all Filipinos, and they, differing in efficiency, have on the whole performed their duties well.

The justices of the peace are all natives. In many of the smaller municipalities it has been difficult to find persons competent to perform the duties of this office, and consequently many changes have been necessary.

Under the policy adopted by the Commission of reducing the number of municipalities by consolidation some hardships have been imposed upon people living in remote portions of consolidated municipalities, who reside many miles from the office of the justice of the peace. To meet these difficulties it will probably be necessary to make some slight modifications in the law, so as to provide for more than one justice of the peace in certain of the consolidated municipalities, so that the local tribunals may be easily available to all the people. Under the new code of criminal procedure which is about to be adopted, as hereinafter stated, the labors of justices of the peace will be made more simple and can be more easily performed by men of limited education.

NEW LEGISLATION RELATING TO COURTS.

Comparatively little new legislation has been necessary in relation to the courts. Such legislation as has been enacted has been mainly for the purpose of meeting minor defects found in existing laws.

By Act No. 1019, passed December 3, 1903, the judge of the sixth judicial district was authorized to reside in the city of Manila and to exercise in that city certain interlocutory jurisdiction with respect to causes pending in his district.

By Act No. 1056, passed February 20, 1904, provision was made for court vacations for the courts of land registration and customs appeals and for leaves of absence of judges of those courts substantially on the same basis as had been previously provided with reference to judges of the courts of first instance.

By Act No. 1108, passed April 5, 1904, authority was given for the designation of any judge at large of the court of first instance to

perform the duties of a judge of the court of land registration in any province or in the city of Manila; authorizing the secretary of finance and justice to direct any register of deeds or provincial fiscal of any province to perform the duties of examiner of titles in his province; increasing the salary of the associate judge of the court of land registration after January 1, 1905, from \$4,000 to \$4,500 per annum; providing for the review of any order, decree, or decision of the court of land registration by the supreme court in substantially the same manner as orders, decrees, and decisions of the court of first instance are reviewed; giving the court of land registration power to issue a writ of possession placing an applicant for registration in possession of property covered by a decree of the court in his favor; authorizing the Government of the United States or of the Philippine Islands or of any province or municipality thereof and foreign corporations to apply for and secure registration of titles to lands through the court of land registration, and making minor provisions as to the proceedings in the court of land registration, including adequate arrangements for the employment of surveyors and the apportionment of their fees.

By Act No. 1123, passed April 27, 1904, authority was given to any court of first instance to conduct its proceedings in the English language or in a native dialect only, when all the parties or counsel so stipulate in writing, providing that in case the proceedings are in the English language only in the trial court the English record alone shall be used by the supreme court, the briefs being accompanied by a translation into the Spanish language; that in case exceptions are taken in courts of first instance, the original bills of exceptions and all documents which by the bills of exceptions are made a part thereof shall be transmitted to the supreme court instead of certified copies; providing for appeals to the supreme court by paupers without fees and without printed record; directing that when the supreme court may, under the law, review evidence taken in the court below, the testimony shall not be copied, but the original testimony on file and all documents constituting a part of the files in the case shall be transmitted to the supreme court and referred to on hearing. It has been found that great expense and delay were incurred by reason of the requirement that in all cases the record should be translated into the Spanish language before a case could be transmitted to the supreme court and that cases should be tried wholly in the Spanish language, although the judge and all the counsel and parties were accustomed to use the English language only, and desired its use. In many cases criminals who had been convicted in the courts of first instance were compelled to wait many months before the record could be transcribed into the Spanish language and transmitted to the supreme court. It has also been the rule of the supreme court that whenever the evidence taken in the court below was to be reviewed in the supreme court it must all be translated into the Spanish language and printed. In many cases these requirements resulted in a practical denial of the right of appeal, because the expense of translation and printing exceeded the ability of the parties. Printing bills of \$1,000 or more in a single case were not infrequent. In fact the expense of getting cases in readiness for trial in the supreme court often exceeded the whole value involved in the controversy. The relief furnished

by Act No. 1123 is very marked and was indispensable to an inexpensive and speedy administration of justice.

By Act No. 1153, passed May 11, 1904, most of the administrative duties relating to the bureau of justice, as well as the bureau of the insular treasurer, heretofore authorized by law to be performed by the civil governor, were directed to be performed by the secretary of finance and justice. Practically all of the administrative duties referred to had been performed by the secretary of finance and justice before the passage of this act, but every paper in each case had to be transmitted to the civil governor to be by him signed, and it was deemed advisable to have the final responsibility of these administrative duties rest upon the secretary of finance and justice instead of upon the civil governor.

COURT OF CUSTOMS APPEALS.

The court of customs appeals was reorganized by virtue of Act No. 864, as stated in the last annual report from this office, and no changes have since been made in its personnel.

Judge Crossfield, of the court of customs appeals, has performed duty by special assignment as judge of the court of first instance in the city of Manila and in the provinces of Rizal, Cavite, and Romblon. Judge Roxas likewise has performed similar duties in the provinces of Bulacan, Rizal, and Nueva Caceres. During the year 184 cases have been filed in the court and 159 have been disposed of. Forty-two cases are still pending. Most of the questions involving constitutional law that are liable to arise in that court have already been determined, and the number of appeals on that ground will hereafter doubtless be very few.

There is not enough work in the court to employ two judges, and for that reason it has been practicable to detail the judges for considerable work in the courts of first instance, as above stated.

The report of the clerk of the court of customs appeals is annexed to the report of the attorney-general, hereinafter referred to.

THE COURT OF LAND REGISTRATION.

Great progress has been made toward the settlement of land titles through the court of land registration during the past year. Up to September 1, 1903, 144 applications for registration of titles had been filed, and during the succeeding year 833 applications were received, being approximately 70 cases per month, making a total of 977 applications already filed. It is a very satisfactory fact that these applications have come from every part of the islands, 36 provinces or districts, including the city of Manila, being represented. This shows probably a more rapid progress than has occurred in the same length of time after the inauguration of the Torrens system of registration in any other country. Some of the applications cover immense haciendas and involve the title to lands occupied in individual cases by several thousand people. The controversies thus arising, of course, are burdensome to the court, but it is of vital importance to the owners and occupants of lands that the titles should be finally settled.

The disposition of cases has not been as rapid as was hoped, owing in part to the absence of one of the judges on leave for several months during the year, as well as to the great amount of time required in investigating cases where large haciendas were at stake.

The question as to whether prescription runs against the government is involved in more or less cases which have passed to the supreme court, and a final determination of that question will enable the court to make decrees with greater rapidity.

In this connection attention should be called to certain provisions of Act No. 926, the public-land act, which was passed by the Commission October 7, 1903, but which, by the provisions of the act of Congress approved July 1, 1902, entitled "An act temporarily to provide for the administration of the affairs of civil government of the Philippine Islands, and for other purposes," could not become effective until approved by the President of the United States and expressly or impliedly sanctioned by Congress. This act became effective upon the adjournment of the Congress and proclamation of the civil governor of the Philippine Islands under date of July 26, 1904. By virtue of Chapter VI of the public-land act, provision was made for the confirmation, through the court of land registration, of imperfect titles in favor of persons occupying public lands. Persons eligible to the benefits of these provisions are thus set forth in the act of Congress:

CHAPTER VI.—UNPERFECTED TITLES AND SPANISH GRANTS AND CONCESSIONS.

SEC. 54. The following-described persons or their legal successors in right, occupying public lands in the Philippine Islands, or claiming to own any such lands or an interest therein, but whose titles to such lands have not been perfected, may apply to the court of land registration of the Philippine Islands for confirmation of their claims and issuance of a certificate of title therefor, to wit:

1. All persons who prior to the transfer of sovereignty from Spain to the United States had fulfilled all the conditions required by the Spanish laws and royal decrees of the Kingdom of Spain for the purchase of public lands, including the payment of the purchase price, but who failed to secure formal conveyance of title;

2. All persons who, prior to the transfer of sovereignty from Spain to the United States, having applied for the purchase of public lands and having secured a survey, auction, and an award, or a right to an award, of such lands, did not receive title therefor through no default upon their part;

3. All persons who, prior to the transfer of sovereignty from Spain to the United States, having applied for the purchase of public lands and having secured a survey and award of same, did not, through negligence upon their part, comply with the conditions of full or any payment therefor, but who, after such survey and award, shall have occupied the land adversely, except as prevented by war or force majeure, until the taking effect of this act;

4. All persons who were entitled to apply, and did apply, for adjustment or composition of title to lands against the Government under the Spanish laws and royal decrees in force prior to the royal decree of February thirteenth, eighteen hundred and ninety-four, but who failed to receive title therefor through no default upon their part;

5. All persons who were entitled to a gratuitous title to public lands by "possessory proceedings" under the provisions of articles nineteen and twenty of the royal decree of the King of Spain, issued February thirteenth, eighteen hundred and ninety-four, and who, having complied with all the conditions therein required, failed to receive title therefor through no default upon their part; and

6. All persons who by themselves or their predecessors in interest have been in the open, continuous, exclusive, and notorious possession and occupation of agricultural public lands, as defined by said act of Congress of July first, nine-

teen hundred and two, under a bona fide claim of ownership, except as against the Government, for a period of ten years next preceding the taking effect of this act, except when prevented by war or force majeure, shall be conclusively presumed to have performed all the conditions essential to a Government grant and to have received the same, and shall be entitled to a certificate of title to such land under the provisions of this chapter.

All applicants for lands under paragraphs one, two, three, four, and five of this section must establish by proper official records or documents that such proceedings as are therein required were taken and the necessary conditions complied with: *Provided, however,* That such requirements shall not apply to the fact of adverse possession.

Provision was also made for the determination, by the court of land registration, of the titles of occupants of lands who should not voluntarily come in under the provisions of the act, so that, at the instance of the chief of the bureau of public lands, the titles of all such occupants could be determined.

The act also authorized the court of land registration to determine the right to all private lands, or interests therein, within any town sites that have been set apart in accordance with the provisions of the act. This act, by virtue of section 78 thereof, applies to all provinces and places in the Philippine Islands except the Moro Province, the provinces of Lepanto-Bontoc, Benguet, Paragua, and Nueva Viscaya. But it, or any chapter of it, may be made to apply at any time, by resolution of the Philippine Commission, to any of the provinces or parts of provinces last named, the purpose of these provisos being to enable the Commission to deal specially with public lands in the so-called non-Christian provinces, where land titles have been much more uncertain than in the Christian provinces and where the interests of the natives need to be especially protected and guarded by reason of their ignorance. The general provisions of the land-registration act were applicable to all provinces. In view of the provisions of section 78 of the public-land act, just referred to, it was deemed inexpedient to continue the jurisdiction of the court of land registration over lands situated in the non-Christian provinces. It was found that considerable portions of the public domain were being claimed by others than Filipinos under options of purchase obtained from the non-Christians, and attempts to perfect titles, through the court of land registration, were being made. Such attempts, if successful, would defeat the beneficent purpose of section 78 of the public-land act and render it probable that the Igorrotes and other non-Christian people would part with lands which ought to be secured to them or which ought to remain as a part of the public domain for very small considerations. Therefore, on the 31st day of August, 1904, Act No. 1224 was passed, providing that the court of land registration should not take cognizance of or have jurisdiction over applications for the registration of titles to land situated within the provinces aforesaid, except in certain specified instances named in the law. At the proper time suitable legislation will be enacted protecting the rights of actual occupants in the non-Christian provinces in the possession of their lands, but it is impracticable to deal with that subject in the same manner that lands in Christian and well-settled provinces are dealt with. The case being special, special legislation is required for the protection of the people inhabiting those provinces and for safeguarding the public domain. Such special legislation is familiar in the action

Number of charts received from the Coast and Geodetic Survey office in Washington from July 1, 1903, to June 30, 1904, 4,125.

The number of charts printed in Manila July 1, 1903, to June 30, 1904, was 3,366.

Between July 11 and February 2, besides duties in connection with chart verification, Mr. Charles C. Yates, assistant, was engaged in the preparation of preliminary plans and specifications for the construction of a launch and the Survey steamer which is now being constructed in Hongkong.

The Survey is indebted for many favors to other bureaus and offices of the general and insular governments, but particular acknowledgment must be made for valuable information and material help to the bureau of coast guard and transportation, the chief quartermaster, the chief engineer officer, and the chief signal officer of the United States Army in the Philippines; the bureau of engineering, and to the masters of the merchant marine, who attest by their ready response to our request for cooperation their appreciation of the efforts being made to improve up to the requirements of modern standards the charts and sailing directions of the Philippine Islands.

The cost of the survey, as in the past year, has been met by a division of expenses between the United States and the Philippine government. The United States has defrayed all the expenses for the field officers and experts detailed for service in the islands; the lithographing, engraving, and publishing of charts, and furnished the instrumental outfit and supplies from the United States. The Philippine government has defrayed the local field and office expenses, maintained the steamer *Research*, and is paying for the construction of the Survey vessel now building at Hongkong.

Two sketches are submitted herewith, which show graphically the extent of the field work for the period of this report.

Yours, respectfully,

JOHN E. McGRATH,

Assistant, Coast and Geodetic Survey, in charge of Office.

THE SECRETARY OF COMMERCE AND POLICE,

Manila, P. I.

THIRD ANNUAL REPORT
OF THE
SECRETARY OF FINANCE AND JUSTICE
TO THE
PHILIPPINE COMMISSION.

REPORT OF THE SECRETARY OF FINANCE AND JUSTICE.

DEPARTMENT OF FINANCE AND JUSTICE,
Manila, P. I., November 15, 1904.

GENTLEMEN: I hereby submit a report on matters, legislative and executive, pertaining to the department of finance and justice in the Philippine Islands during the period from September 1, 1903, to September 1, 1904.

Some of the data contained in this report are brought down to a date later than September 1, 1904, but unless otherwise stated this report will cover the year from September 1, 1903, to September 1, 1904.

ADMINISTRATION OF JUSTICE.

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The report of the clerk of the court of customs appeals is annexed to the report of the attorney-general, hereinafter referred to.

THE COURT OF LAND REGISTRATION.

Great progress has been made toward the settlement of land titles through the court of land registration during the past year. Up to September 1, 1903, 144 applications for registration of titles had been filed, and during the succeeding year 833 applications were received, being approximately 70 cases per month, making a total of 977 applications already filed. It is a very satisfactory fact that these applications have come from every part of the islands, 36 provinces or districts, including the city of Manila, being represented. This shows probably a more rapid progress than has occurred in the same length of time after the inauguration of the Torrens system of registration in any other country. Some of the applications cover immense haciendas and involve the title to lands occupied in individual cases by several thousand people. The controversies thus arising, of course, are burdensome to the court, but it is of vital importance to the owners and occupants of lands that the titles should be finally settled.

The disposition of cases has not been as rapid as was hoped, owing in part to the absence of one of the judges on leave for several months during the year, as well as to the great amount of time required in investigating cases where large haciendas were at stake.

The question as to whether prescription runs against the government is involved in more or less cases which have passed to the supreme court, and a final determination of that question will enable the court to make decrees with greater rapidity.

In this connection attention should be called to certain provisions of Act No. 926, the public-land act, which was passed by the Commission October 7, 1903, but which, by the provisions of the act of Congress approved July 1, 1902, entitled "An act temporarily to provide for the administration of the affairs of civil government of the Philippine Islands, and for other purposes," could not become effective until approved by the President of the United States and expressly or impliedly sanctioned by Congress. This act became effective upon the adjournment of the Congress and proclamation of the civil governor of the Philippine Islands under date of July 26, 1904. By virtue of Chapter VI of the public-land act, provision was made for the confirmation, through the court of land registration, of imperfect titles in favor of persons occupying public lands. Persons eligible to the benefits of these provisions are thus set forth in the act of Congress:

CHAPTER VI.—UNPERFECTED TITLES AND SPANISH GRANTS AND CONCESSIONS.

SEC. 54. The following-described persons or their legal successors in right, occupying public lands in the Philippine Islands, or claiming to own any such lands or an interest therein, but whose titles to such lands have not been perfected, may apply to the court of land registration of the Philippine Islands for confirmation of their claims and issuance of a certificate of title therefor, to wit:

1. All persons who prior to the transfer of sovereignty from Spain to the United States had fulfilled all the conditions required by the Spanish laws and royal decrees of the Kingdom of Spain for the purchase of public lands, including the payment of the purchase price, but who failed to secure formal conveyance of title;

2. All persons who, prior to the transfer of sovereignty from Spain to the United States, having applied for the purchase of public lands and having secured a survey, auction, and an award, or a right to an award, of such lands, did not receive title therefor through no default upon their part;

3. All persons who, prior to the transfer of sovereignty from Spain to the United States, having applied for the purchase of public lands and having secured a survey and award of same, did not, through negligence upon their part, comply with the conditions of full or any payment therefor, but who, after such survey and award, shall have occupied the land adversely, except as prevented by war or force majeure, until the taking effect of this act;

4. All persons who were entitled to apply, and did apply, for adjustment or composition of title to lands against the Government under the Spanish laws and royal decrees in force prior to the royal decree of February thirteenth, eighteen hundred and ninety-four, but who failed to receive title therefor through no default upon their part;

5. All persons who were entitled to a gratuitous title to public lands by "possessory proceedings" under the provisions of articles nineteen and twenty of the royal decree of the King of Spain, issued February thirteenth, eighteen hundred and ninety-four, and who, having complied with all the conditions therein required, failed to receive title therefor through no default upon their part; and

6. All persons who by themselves or their predecessors in interest have been in the open, continuous, exclusive, and notorious possession and occupation of agricultural public lands, as defined by said act of Congress of July first, nine-

teen hundred and two, under a bona fide claim of ownership, except as against the Government, for a period of ten years next preceding the taking effect of this act, except when prevented by war or force majeure, shall be conclusively presumed to have performed all the conditions essential to a Government grant and to have received the same, and shall be entitled to a certificate of title to such land under the provisions of this chapter.

All applicants for lands under paragraphs one, two, three, four, and five of this section must establish by proper official records or documents that such proceedings as are therein required were taken and the necessary conditions complied with: *Provided, however,* That such requirements shall not apply to the fact of adverse possession.

Provision was also made for the determination, by the court of land registration, of the titles of occupants of lands who should not voluntarily come in under the provisions of the act, so that, at the instance of the chief of the bureau of public lands, the titles of all such occupants could be determined.

The act also authorized the court of land registration to determine the right to all private lands, or interests therein, within any town sites that have been set apart in accordance with the provisions of the act. This act, by virtue of section 78 thereof, applies to all provinces and places in the Philippine Islands except the Moro Province, the provinces of Lepanto-Bontoc, Benguet, Paragua, and Nueva Viscaya. But it, or any chapter of it, may be made to apply at any time, by resolution of the Philippine Commission, to any of the provinces or parts of provinces last named, the purpose of these provisos being to enable the Commission to deal specially with public lands in the so-called non-Christian provinces, where land titles have been much more uncertain than in the Christian provinces and where the interests of the natives need to be especially protected and guarded by reason of their ignorance. The general provisions of the land-registration act were applicable to all provinces. In view of the provisions of section 78 of the public-land act, just referred to, it was deemed inexpedient to continue the jurisdiction of the court of land registration over lands situated in the non-Christian provinces. It was found that considerable portions of the public domain were being claimed by others than Filipinos under options of purchase obtained from the non-Christians, and attempts to perfect titles, through the court of land registration, were being made. Such attempts, if successful, would defeat the beneficent purpose of section 78 of the public-land act and render it probable that the Igorrotes and other non-Christian people would part with lands which ought to be secured to them or which ought to remain as a part of the public domain for very small considerations. Therefore, on the 31st day of August, 1904, Act No. 1224 was passed, providing that the court of land registration should not take cognizance of or have jurisdiction over applications for the registration of titles to land situated within the provinces aforesaid, except in certain specified instances named in the law. At the proper time suitable legislation will be enacted protecting the rights of actual occupants in the non-Christian provinces in the possession of their lands, but it is impracticable to deal with that subject in the same manner that lands in Christian and well-settled provinces are dealt with. The case being special, special legislation is required for the protection of the people inhabiting those provinces and for safeguarding the public domain. Such special legislation is familiar in the action

of the United States Congress relating to lands occupied by the Indians and in the dealings with uncivilized people in New Zealand and other parts of the world.

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THE CRIMINAL CODE AND CODE OF CRIMINAL PROCEDURE.

As stated in the second annual report from this office, the criminal code prepared by Governor Wright had been brought up for public discussion in open session of the Commission. Those discussions continued for a considerable length of time and promised to continue for a length of time beyond the power of the Commission to give to that particular subject.

The Filipino lawyers objected to many sections of the proposed code, which was drawn largely on the lines of American law, although it incorporated many provisions of the existing Spanish Code. The result was that it was deemed expedient to see if a substantially unanimous result might not be accomplished by the appointment of a special commission or committee for the preparation of a suitable code of criminal law and procedure, on which committee the American and Spanish-Filipino views should be represented. Accordingly a committee was appointed, to consist of the Hon. Florentino Torres, Hon. E. Finlay Johnson, judges of the supreme court; Felipe Calderon, president of the Filipino College of Abogados (Filipino Bar Association), and Mr. W. L. Goldsborough, assistant attorney-general. Judge Torres has a very intimate knowledge of the Spanish criminal law and procedure, and Judge Johnson has not only a knowledge of American legislation and procedure on that subject, but also has had an extended experience in the Philippines as judge of the court of first instance and judge of the supreme court. Señor Calderon is a good representative of the Filipino opposition to the proposed code, and Mr. W. L. Goldsborough, the assistant attorney-general, has had sufficient experience under both American and Spanish procedure to make him a useful member of the committee. That committee has finished its labors and made a report, both upon penal law and procedure. The report was unanimous except that Messrs. Torres and Calderon have filed a separate report, indicating that in certain important respects it would be better to apply the Spanish law on the subjects referred to in their supplementary report.

The code, as drafted by the committee, retains as much of the Spanish Code as was deemed feasible, eliminating all those portions of it that refer to or are dependent on the sovereignty of Spain; incorporating substantially the postal laws of the United States; limiting to a considerable degree the right of private prosecutions which, under the Spanish régime, is said to have been utilized very largely for purposes of blackmail; omitting the provisions of the Spanish Code which bind the discretion of judges in the imposition of penalties, and substituting in place thereof the discretion of the judge, within limits defined by law; providing adequate civil remedies for injuries inflicted by criminal actions in proceedings distinct from the criminal prosecutions; abolishing all distinction as to nationality or race in the imposition of penalties, and prohibiting interlocutory appeals and simplifying the proceedings in all the courts.

The code, as drafted by this committee, with some modifications that have already been found to be necessary, will doubtless be enacted at an early date.

The committee made full use of all suggestions received in the prior public discussions, and are entitled to much credit for the patient, able, and conscientious manner in which they performed their duties.

CHANGES IN THE PERSONNEL OF THE COURTS.

Since the date of the last report from this office two vacancies have occurred in the office of judge of the supreme court, occasioned by the resignation of the Hon. Charles A. Willard and the Hon. John T. McDonnough, as above stated. These vacancies have not yet been filled, and great inconvenience has resulted from the want of a quorum in the supreme court. Accumulation of business in that tribunal is such that possibly some further legislation may be needed to prevent small criminal cases from being reviewed upon the facts by the supreme court.

Hon. Miguel Logarta, of Cebu, who was a judge at large, died February 13, 1904, and the Hon. Mariano Cui has been appointed to succeed him. Hon. Estanislao Yusay has been transferred from the tenth judicial district to the fifth judicial district, and the Hon. Vicente Jocson, of Bacolod, Occidental Negros, has been appointed to succeed him. The Hon. John C. Sweeny, who was judge at large, has been transferred to the city of Manila, and the Hon. Beekman Winthrop, of New York, was appointed to succeed him as judge at large. After a short period of service Judge Winthrop resigned to accept an appointment as governor of Porto Rico, and he has been succeeded by the Hon. James C. Jenkins, of Georgia, as judge at large. The remaining vacancy in the office of the judge at large has been filled by the appointment of the Hon. Charles S. Lobingier, of Omaha, Nebr. Judge Winthrop served but a few months before his transfer to Porto Rico, but in that short period demonstrated his fitness for large usefulness as a judge. Judge Jocson had served as judge of a court of first instance under the Spanish authorities and under the military government of the United States; was a lawyer of wide experience and established reputation for ability and probity. Judge Cui had seen considerable service as fiscal of the province of Cebu, where he had rendered most valuable services, and was highly recommended for promotion by the judges before whom he had conducted the business of prosecuting officer and by the bar and business men of the province of Cebu. Judge Jenkins was a lawyer of long experience and high reputation in the State of Georgia, and was highly recommended by the prominent jurists and public men of that State, irrespective of party. Judge Lobingier has had an extended experience as law writer and as lecturer in the law department of the University of Nebraska, as reporter of the decisions of the supreme court of that State, and as supreme court commissioner to hear cases as a judge in aid of the judges of the supreme court. Judge Logarta had served but a short time as judge at the time of his death. He was regarded as an upright and able jurist, and his death was greatly regretted by the public at large.

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The code, as drafted by the committee, is a compromise between the Spanish Code as was deemed feasible and the American Code. It contains provisions of it that refer to or are dependent upon the laws of Spain; incorporating substantially the provisions of the American Code; limiting to a considerable degree the power of the judge in prosecutions which, under the Spanish régime, were left to the discretion of the judge, largely for purposes of blackmail and other immoral purposes; abolishing the Spanish Code which bind the discretion of the judge in the imposition of penalties, and substituting in place of the discretion of the judge, within limits defined by law; providing for civil remedies for injuries inflicted by criminal acts, distinct from the criminal prosecutions; abolishing the distinction between the nationality or race in the imposition of penalties; abolishing the distinction between appeals and simplifying the procedure in the courts.

The code, as drafted by this committee, with some modifications that have already been found to be necessary, will doubtless be enacted at an early date.

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Hon. Miguel Logarta, of Cebu, who was a judge at large, died February 13, 1904, and the Hon. Mariano Cui has been appointed to succeed him. Hon. Estanislao Yusay has been transferred from the tenth judicial district to the fifth judicial district, and the Hon. Vicente has been appointed to succeed him. Judge Cui was judge at large, has been succeeded by the Hon. Beekman Winthrop, who has succeeded him as judge at large. After Judge Winthrop resigned to accept an appointment to the United States and he has been succeeded by Judge Yusay as judge at large. The vacancy at large has been filled by Judge S. Lobingier, of Omaha, Nebr. Judge Yusay, a few months before his transfer to the fifth judicial district, demonstrated his fitness for large cases and had served as judge of a court of first instance and under the military government as a lawyer of wide experience and probity. Judge Cui had been judge of the province of Cebu, where he was highly recommended for the position. He had conducted the business of the court and business men of the province and was of long experience and high character. Judge Yusay was highly recommended by the people of that State, irrespective of his previous extended experience as law clerk and member of the University of Nebraska, and as a judge of the supreme court of that State, where he had heard cases as a judge in aid of Judge Logarta had served but a few months. He was regarded as an excellent judge and was greatly regretted by the

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ATTORNEY-GENERAL'S OFFICE.

The full and satisfactory report of the attorney-general, giving a detailed description of the work of the bureau of justice, is hereto annexed and marked "Exhibit 2."

Attention has heretofore been called to the great accumulation of business in the supreme court, and that subject need not be again here discussed.

During the year 34 Americans and 113 Filipinos have taken the examinations for admission to the bar of the supreme court, of whom 24 Americans and 62 Filipinos were successful.

In the city of Manila 336 civil, 573 criminal, and 88 probate cases were disposed of. In the provinces 1,786 civil and 6,445 criminal cases were disposed of. At the close of the year there were 431 more civil cases than there were at the beginning of the year, but 539 less in the criminal branch.

The attorney-general, the solicitor-general, and their subordinates have furnished 537 opinions in accordance with the law; have made briefs for 316 cases in the supreme court, and have made recommendations on 776 applications for pardon.

The attorney-general recommends that his office be authorized to instruct justices of the peace in the several provinces in the performance of their duties. This recommendation is entirely approved and provisions will doubtless be made for what will be practically schools of instruction for that purpose. The supervisor of fiscals and his deputy and the assistant attorney-general of the Philippines Constabulary devote much of their time to the trial of important cases in the provinces. With the probable diminution of criminal business in the early future these officials will be able, under the direction of the attorney-general, to carry on advantageously the schools of instruction referred to. They will also be able to furnish important aid to the fiscals by instructing them in the methods of performing their duties.

The attorney-general calls attention to a hardship that is imposed upon witnesses in criminal cases who are obliged to leave their vocations and travel long distances to attend court and receive no compensation, nor are they furnished with food. The proposed new criminal code deals with this subject, and the needed-relief will doubtless be furnished by the enactment of that code. The hardship is real and the relief is necessary.

Three cases of great practical importance relating to the Philippine Islands have been determined by the Supreme Court of the United States during the year. In the cases of *Thomas E. Kepner v. The United States* and *Secundio Mendezona v. The United States* the Supreme Court of the United States, by a majority of five to four, held that the supreme court of the Philippine Islands had no right to review the findings of a court of first instance in criminal cases where the defendants had been acquitted in the courts of first instance. This decision reversed the practice which had prevailed under the Spanish law and likewise under the system of jurisprudence adopted under the American régime. The decision, of course, will be binding upon all the courts of the Philippine Islands.

In the case of *Edward F. O'Brien and Fred L. Dorr v. The United States* the Supreme Court of the United States determined that the

right of trial by jury in a criminal case did not, under the present law, exist in the Philippine Islands. This decision was reached by a vote of eight to one, and confirms the legality of the existing system of criminal jurisprudence in the islands in respect to jury trials. These cases were argued in the Supreme Court of the United States by the attorney-general for the Philippine Islands, the Hon. Lebbeus R. Wilfley, and by the Hon. Harry M. Hoyt, Solicitor-General of the United States, on behalf of the insular government.

INSULAR COLD STORAGE AND ICE PLANT.

Capt. Leon S. Roudiez, Twenty-fifth Infantry, U. S. Army, who had acted as the superintendent of the insular cold storage and ice plant from the time of its construction, retired from that position on the 1st day of September, 1903. Reports of the operations of the plant for the fiscal year 1903 and for the first two months of the fiscal year 1904, down to September 1, 1903, were annexed as exhibits to the second annual report from this office. Captain Roudiez was succeeded by Mr. Charles G. Smith as superintendent, who had charge of the operation of the plant during the remainder of the fiscal year 1904, since which time Mr. J. F. Edminston has been performing the duties of acting superintendent.

Under Mr. Smith's efficient administration the expenses of operation were largely reduced and the income from the sale of ice was materially increased. Owing to the increased demand for ice, an additional ice-making tank was installed in the plant, at an expense of about \$8,500 gold.

In May, 1904, the chief quartermaster of the Philippine Division of the United States Army entered into a contract for an additional cold-storage room, to be used largely as a salesroom for the commissary department of the army at a rental of \$15,000 gold per annum. This contract has been renewed for the fiscal year 1905, as was the contract for the rental of the other cold-storage rooms that was in force during the fiscal year 1904, and the contract in force in the fiscal year 1904 with the chief commissary for the furnishing of ice to the army has been renewed for the fiscal year 1905.

The report of Superintendent Smith for that portion of the fiscal year 1904 when he was in charge of the ice plant is hereto annexed and marked "Exhibit 3," and the report of Mr. Edminston, acting superintendent of the ice plant for the months of July and August, 1904, is also annexed hereto and marked "Exhibit 4."

The entire income for the fiscal year 1904 for cold storage, ice sales, and sale of distilled water and electric power amounts to ₱602,948.81, and the entire disbursements for that period amount to ₱395,622.18, leaving a net income for the plant for the fiscal year 1904 of ₱207,326.63.

The amount of space required by the army for cold storage during the fiscal year 1904 was materially less than that which had been required in prior years, by reason of which the income from cold storage was reduced, but the saving in operating expenses and the increase in the sale of ice have been such that the net income was not largely diminished. Included in expenditures were items for the installation of an additional freezing tank, which adds 18 tons of ice to the daily capacity of the plant, and keeping of the plant in good

condition during the year, the rebuilding of the rolling stock, and the overhauling and general repair of machinery whenever necessary.

The question of the future administration by the government or of the sale of the plant has been under consideration. It is considered that the fair value of the plant and land is not less than \$1,000,000 gold. Advertisements were inserted in newspapers in Manila and in the United States for competitive bids for its sale, with a minimum limit of \$1,000,000 gold. Bids were to be opened on the 29th of June, 1904. No bids were received, although more or less inquiries were made by parties who are still investigating the subject.

The plant is able to pay a moderate return to the insular government upon \$1,000,000 under the present system of administration. In the hands of a private corporation, which could economize still more in the cost of operation and could, by active competition, increase the amount of ice sold and cold-storage space rented, the property would be, it is believed, a very profitable investment on a purchase price of \$1,000,000 or more. There is no reason why the insular government can not continue to administer it as heretofore, the principal argument in favor of a sale being that it is undesirable for the government to be engaged in business that could be carried on by private individuals. But that argument is not especially effective in view of the governmental necessity for the furnishing of ice and cold storage at reasonable rates to the Army, to its officers, and to civil employees and hospitals, and in view of what the government has done in the way of carrying on what might be termed private enterprises in other directions, particularly in the bureau of the insular purchasing agent. A statement of the receipts and disbursements for the fiscal year 1904 is hereto attached and marked "Exhibit 5."

CURRENCY.

By far the most interesting problem in connection with the department of finance and justice during the past year has been the method of dealing with the currency. The evils of a fluctuating currency, resulting from the rise and fall in value of Mexican and Spanish-Filipino pesos and subsidiary coins in circulation in the islands, have been so fully detailed in former reports from this office that it is unnecessary here to repeat what has been there said. The great loss sustained by the government from the depreciation of Mexican currency in its value during the fiscal year 1903 did not continue during the fiscal year 1904, because that currency was mainly paid out before the commencement of the fiscal year 1904 and the loss had been sustained.

NEW COINAGE AND SEIGNIORAGE.

On March 2, 1903, Congress passed an act entitled "An act to establish a standard of value and to provide for a coinage system in the Philippine Islands."

As stated in the last report from this office, action was immediately taken by the Philippine Commission to put this act in force and to purchase silver and other metals for the new coinage, and to secure, through the Bureau of Engraving and Printing, at Washington, the silver certificates authorized by the act. The purchase of metal

for coinage continued until November 30, 1903, when it was believed that enough silver had been purchased for all necessary new coinage, taking into consideration the fact that the Spanish-Filipino coins in circulation in the islands were to be brought into the insular treasury, through agencies hereinafter to be mentioned, and recoined. Seventeen million three hundred and thirty-four thousand five hundred pesos in silver coins have been coined from bullion purchased. The total cost of bullion purchased was 14,745,981.30 pesos, an average of \$0.5453 gold per ounce fine. The mint charges for the coinage of this sum have been 419,673.60 pesos, and the expenses of transportation, insurance, etc., have been 45,114.41 pesos, showing a net seigniorage, less all charges, of 2,123,730.69 pesos.

Four hundred and ninety-nine thousand two hundred and fifty pesos in nickel coins have been received, upon which the net seigniorage, less all charges, has been 370,830.11 pesos.

Three hundred and thirty-six thousand seven hundred and seventy pesos in copper coins have been received down to September 2, 1904, upon which the net seigniorage, less all charges and expenses, has been 97,623.65 pesos. The result of the total coinage from metal purchased, therefore, has been a net seigniorage of 2,592,184.45 pesos, or one-half that sum in gold. Meanwhile the Spanish-Filipino coins have been gathered into the treasury in the manner hereinafter stated and none that have come into the treasury have been paid out, but all have been shipped to San Francisco for recoinage into the new currency. The process of eliminating the Spanish-Filipino coins from circulation is still going on and it is impracticable yet to give an accurate statement as to the result of such recoinage upon the seigniorage, in view of the high rate which the government has paid for those coins for the purpose of eliminating them. The results of recoinage will undoubtedly show an absolute loss, which must be deducted from the net seigniorage above stated in determining the final result to the gold-standard fund. The Spanish-Filipino pesos contain about 7 per cent less silver than the Mexican dollars, and the Spanish-Filipino subsidiary coins 12 per cent less, but during the time that the government was receiving both Mexican and Spanish-Filipino coins into the treasury it was not deemed expedient to make a distinction between the values that should be given to the two classes of money, because they have always passed side by side in the islands at the same value, and a distinction would complicate all business transactions by introducing an additional kind of money to be computed from day to day. It was also considered that the government owed an especial duty to the Spanish-Filipino coins as the lawful money of the country, which it did not owe to the Mexican coins, many of which had been introduced by smuggling in violation of the Spanish law and which could find a ready market in the adjacent countries of Asia, while no such opening was available to the Spanish-Filipino coins.

AMOUNT OF NEW COINS RECEIVED AND IN CIRCULATION.

All the new coins above referred to, minted from metal purchased, have been received in the islands. The recoinage of the Spanish-Filipino coins is still going on.

The total amount of the new currency received in the islands from bullion purchased and recoinage of Spanish-Filipino coins amounted

to 21,342,520 pesos on August 31, 1904. Since that date ₱3,582,000 have been received, making ₱24,924,520 of new coins in the islands on October 31, 1904. The new coins are received by each United States transport coming from San Francisco, and the Spanish-Filipino coins are transmitted to San Francisco for recoinage by each transport from Manila to San Francisco. The amount of new currency in actual circulation has been computed by the chief of the division of currency upon the basis of considering as in circulation all money outside of the treasury vaults except that held by depository banks in the city of Manila in excess of one-third of their Philippine currency demand liabilities. Upon that basis the new currency actually in circulation is shown for the several months from November, 1903, to September, 1904, inclusive, in the following table, together with the increase or decrease each month:

Philippine currency circulation.

	Amount in circulation.	Increase (+) or decrease (-).
Fiscal year 1903:	<i>Pesos.</i>	<i>Pesos.</i>
November.....	3,983,058.00	—
December.....	3,910,383.00	- 82,665.00
January.....	5,484,235.00	+1,573,902.00
February.....	6,231,827.00	+ 749,532.00
March.....	7,402,368.00	+1,168,541.00
April.....	6,718,799.00	- 683,569.00
May.....	8,226,114.00	+1,507,315.00
June.....	9,057,127.00	+ 831,013.00
Fiscal year 1904:		
July.....	10,481,955.00	+1,424,828.00
August.....	12,362,617.00	+1,880,662.00
September.....	14,253,799.69	+1,891,182.27
October.....	15,963,043.00	+1,709,243.00

It will be observed that the increase of circulation has been almost constant from month to month and has been very rapid. The amount so treated as actually in circulation is materially less than the amount of new currency received in the islands. This arises from the fact that large sums standing to the credit of disbursing officers in the insular treasury are not treated as in actual circulation, yet in a sense they are performing all the functions of money. If the new currency had not been introduced the same amounts to the credit of disbursing officers in the old currency or in United States currency would have been lying in the treasury awaiting disbursement, and the old currency in actual circulation would have been diminished by the same amount as now deducted from the total received. In that view the whole amount of the new currency received is performing its functions as a part of the circulating medium of the islands and ought properly to be considered as supplying to its full extent the vacuum created by the elimination of the old currency, and the process of filling that vacuum is constantly going on by the recoinage of the Spanish-Filipino coins.

There is nothing yet to indicate that there is not sufficient currency in the islands to meet all the demands of commerce. The banks have lying in their vaults a large amount of money unemployed in excess of the reserve which they are by law required to keep. The diminished producing power and consequent power of the people to buy, owing to war, pestilence, cattle diseases, diminution of the United

States army in the islands, and other causes, have necessarily resulted in a decrease in commercial demands for money. Should the prosperity of the islands, which is beginning to show itself to a large degree, continue to such an extent that more currency is required to meet all the necessities of business transactions, more bullion will be purchased and the demand will be met. But it is the fundamental basis of the maintenance of a silver currency upon a gold standard, without gold in actual circulation, that the coinage of silver should be restricted and never exceed the actual demand, so that the parity of gold and silver may be permanently maintained. This was the theory acted upon by the government of India in establishing the parity of exchange between the silver rupee and the gold pound sterling, and it is the theory upon which our coinage system is based. When there is an excess of the silver currency in circulation it should be retired and no more coinage made. If there is a deficiency it should be supplied by additional coinage or by the emission of coins provisionally retired.

ELIMINATION OF OLD CURRENCY.

During the first half of the calendar year 1903 large amounts of Mexican pesos were exported commercially, while the imports were small. This resulted, of course, in a diminution of the amount of currency in circulation in the islands and came about, in part, from the impending demonetization of the Mexican dollar in the Philippine Islands, and more from the needs of commerce, the imports of the islands being in excess of the exports, the balance being paid largely in Mexican pesos exported. From July, 1903, to August, 1904, inclusive, the total commercial import of Mexican pesos was Pfs.2,168,703, and the total commercial export in the same coin was Pfs.10,210,450, leaving a net export of Pfs.8,041,747. During substantially the same period new currency coined from metal purchased amounted to ₱18,170,520, as above stated. It thus appears that the new coinage brought in from metal purchased exceeded the Mexican coins exported by the sum of ₱10,128,773 during that period. During the same period there has been exported by the government Pfs. 9,218,000 Spanish-Filipino coins for recoinage, which, on being returned to the islands, will replace the Spanish-Filipino coins so exported. There has therefore been no reduction in the currency available for circulation in the islands since the beginning of July, 1903, aside from shipments of United States currency, of which complete statistics are not available, but rather a substantial increase, notwithstanding the fact that a considerable amount of Spanish-Filipino coins is either in the treasury awaiting shipment to San Francisco for recoinage or on the way to San Francisco, or in the mint at San Francisco, or being returned from San Francisco to Manila. There seems, therefore, to be no probability that the insular government will need to purchase silver for further coinage in the immediate future. These facts led to a cancellation of all orders for the purchase of bullion on July 7, 1904.

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REPORT OF THE PHILIPPINE COMMISSION.

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upon the comparative ease with which a fluctuating and cheap currency, to the amount of nearly ₱30,000,000 has been eliminated, in spite of the prejudices and conservative character of the people, and of the great inducement that always exists to make use of a cheaper currency instead of a better and more expensive one. The substitution of a stable currency in the place of an unstable and gambling one, which before existed, is one of the causes which will, no doubt, contribute largely to the now apparent return of prosperity to the islands.

EXCHANGE SOLD FROM THE GOLD-STANDARD FUND.

For the purpose of maintaining the parity of the Philippine currency with gold, exchange is sold at the treasury in Manila upon the depositories of the gold-standard fund in New York at a premium of three-fourths of 1 per cent for demand drafts and $1\frac{1}{4}$ per cent for telegraphic transfers. The law also authorizes similar sales in New York upon the treasury in Manila. No sales have been made in New York upon the funds in Manila, but during the fiscal year 1904 exchange was sold by the treasurer in Manila upon the funds in New York, including both drafts and telegraphic transfers, to the amount of \$3,338,955.03. During the same period the excess of imports into the islands over exports therefrom was \$2,995,064, not including currency imported or exported. The drafts sold in Manila on the gold-standard fund in New York are largely the means utilized for adjusting the adverse balance of trade, although large adjustments are also made by the export of currency or other agencies through banks.

HOW THESE RESULTS WERE ACCOMPLISHED.

The last report to the Commission from this office announced the passage of Act No. 938 (the gold-standard act) and set forth the important provisions of that act and the issuance of temporary certificates of indebtedness, amounting to \$3,000,000, for the maintenance of the gold-standard fund on May 1, 1903, and a second issuance of like certificates, to the same amount, on September 1, 1903. These were the first steps in placing the new currency upon a firm and permanent basis in pursuance of the act of Congress above referred to.

The first series of certificates of indebtedness, issued May 1, 1903, sold at a premium of 2.513 per cent; the second, issued September 1, 1903, sold at a premium of 2.24 per cent. On May 1, 1904, the first series was paid and a third series for the same amount issued, which sold at a premium of 1.181 per cent. On September 1, 1904, a fourth series was issued and sold at a premium of 1.41, the second series being retired by the proceeds thereof, each series being for \$3,000,000 and payable in one year. The total amount of certificates outstanding therefore is \$6,000,000. The premiums received varied according to the state of the bond market in the United States. The money realized from the sales of certificates was deposited in Government depositories in New York at such a rate of interest that the issuance of the certificates and the borrowing of money thereon has not been at any cost to the insular government, and has, on the whole, resulted in profit, taking into consideration the premiums at which the certificates were sold. The gold-standard fund now consists of the proceeds of the certificates sold, seigniorage

upon bullion purchased for coinage, earnings derived from the sale of exchange, and interest on deposits of its funds.

Very great pressure was brought to bear upon the Commission to redeem the old currency at what was called par—that is, to pay a peso of the new currency for a peso of the old; but this was deemed by the Commission to be impracticable. The amount of Mexican pesos in the islands was wholly a matter of conjecture, nor was the amount of Spanish-Filipino coins certain. Payment for the old coins at a parity with the new would have involved a very great loss to the insular treasury, undoubtedly far more than enough to extinguish the whole gold-standard fund, exclusive of the sum borrowed on the certificates of indebtedness. The danger of Mexican pesos being smuggled into the islands would have been great had an artificial value been given to them such as would have resulted had they been redeemed at par with the new pesos, which are upon a gold basis. After most careful consideration the Commission decided that it would treat the old coins as generously as the financial condition of the treasury would warrant, but would not redeem them peso for peso.

An ordinance was passed by the municipal board of the city of Manila requiring all merchants in the city to post notices in their stores in the English, Spanish, and Tagalog languages, stating in what currency their prices were fixed and at what rates they would receive other currencies circulating in Manila. Five thousand such placards were distributed free of charge to the merchants of the city.

On December 31, 1903, the government, pursuant to an announcement made several months before, discontinued receiving Mexican currency in payment of government dues, and on January 1, 1904, the civil governor issued an order providing for the redemption of Spanish-Filipino coins by the insular treasurer and the various provincial treasurers until July 1, 1904, at such official rates as should be fixed from time to time by executive order. It further directed that the said currency should be received by the government in settlement of governmental dues until October 1, 1904, after which date it would cease to be so received, and would be redeemable at the option of the government only at bullion value.

On January 26, 1904, the Commission adopted a resolution as follows:

Whereas the treasurer of the Philippine Islands has made arrangements with the four banks in Manila which have government deposits, whereby said banks will return to him Spanish-Filipino coins in payment of his checks upon the government deposits, irrespective of the question as to whether the deposits were made in Spanish-Filipino coins or Mexican; and

Whereas this furnishes a convenient and feasible method of converting all the local currency received by the government into Spanish-Filipino coins, which may be transmitted to San Francisco for recoinage; * * * Be it therefore

Resolved, That it is the sense of the Commission that the retirement of the Spanish-Filipino coins would be facilitated by affording means for the replacement of the Mexican pesos in the provinces by the new Philippine currency, through the agency of the provincial treasurers, and the disposition of the Mexican in the manner above provided, and that the civil governor be requested to authorize and direct the provincial treasurers to receive Mexican dollars in exchange for Philippine currency at the authorized rate of exchange between Spanish-Filipino coins and Philippine currency, and transmit the coins so received to the insular treasurer, such order to continue in force so long as the treasurer is able to continue the arrangements that he has made with the banks for withdrawing Spanish-Filipino coins for recoinage in lieu of all deposits of local currency in the banks.

On January 14, 1904, Act No. 1042, entitled "An act for the purpose of maintaining the parity of the Philippines currency, in accordance with the provisions of sections 1 and 6 of the act of Congress approved March 2, 1903, by prohibiting the importation into the Philippine Islands of certain kinds of coins," was passed, prohibiting the importation of local currency into the islands. This act received the general approval of the public. On the same date there was submitted for the consideration of the Commission a draft of a bill providing for heavy taxation of transactions in the old currency after certain dates. This bill, on January 27, 1904, after much public discussion, was enacted into law as Act No. 1045, entitled "An act for the purpose of providing revenue and of maintaining the parity of the Philippines currency, in accordance with the provisions of sections 1 and 6 of the act of Congress approved March 2, 1903, by providing for the purchase of Mexican dollars as bullion, by imposing a tax upon written contracts payable in certain kinds of currencies, and by requiring the payment of a license tax by all persons, firms, or corporations conducting their current business, either wholly or in part, in said currencies, and for other purposes." It imposed an ad valorem tax upon contracts and other legal instruments payable in local currency and drawn or negotiated after September 30, 1904, and upon bank deposits in local currency held thereafter, and requires a special license tax from all merchants doing business in local currency after December 31, 1904. Suitable provisions were made for the protection of existing old currency contracts, and exempting from taxation funds deposited to meet local currency contracts made prior to October 1, 1904, and formally registered. Provisions were also made for the adjustment in the new currency of contracts subsequently maturing payable in the old currency. It will be observed that, aside from the prior notice that had been given to the public as to the demonetization of the old currency, the public were given until October 1, 1904, and January 1, 1905, to dispose of their old currency on fair and profitable terms. Pursuant to the provisions of the act last referred to, nearly 100,000 copies of a pamphlet explaining the new currency system and the more important laws and regulations pertaining to the exchange of the old for the new were prepared in the various dialects and distributed to every municipality and there proclaimed by "bandillo" or town crier.

On March 23, 1904, the Commission adopted a resolution authorizing the treasurer of the Philippine Islands and the provincial treasurers to exchange Philippine currency and nickel coins for copper coins which circulated in the Philippine Islands at substantially the official rate proclaimed as to silver coins. The copper coins have not yet been largely eliminated, but steps looking to the early accomplishment of that result are to be adopted. Under the provisions of the laws aforesaid, 9,078,330.29 pesos of the Spanish-Filipino currency were exchanged through the insular treasury for the new currency between October, 1903, and September 1, 1904. Nearly all of the old currency so purchased has been shipped to San Francisco for recoinage. Repeated applications have been made to the Commission asking for still further extensions of time for the elimination of the old currency and for the imposition of the taxes provided in Act No. 1045, above referred to, but the Commission has constantly

refused to make such extensions, both upon the ground that sufficient time had already been given to the public to prepare for the change and sufficient facilities had been furnished to facilitate the exchange of the old coins for the new, and because it was considered to be in the interests of the general public that uncertainty should not longer continue and that the transition period should be made as short as possible.

The Secretary of War has furnished aid of the utmost importance in the inauguration of the new currency system by authorizing quartermasters and paymasters in the Philippine Islands to make payments in the new currency. As appropriations for the United States Army are in money of the United States, the effect of this order has been to render large amounts of United States money available to the insular government for the purposes of exchange, and to issue therefor Philippine currency, which has been distributed from one end of the archipelago to the other through the disbursements made by the quartermasters and paymasters of the Army. This system has not only greatly facilitated the wide circulation of the new currency, but has likewise furnished a constant replenishment of United States money for the purpose of redeeming Philippine currency presented at the treasury.

It ought also to be remarked that the Treasury Department of the United States has in every way cooperated with the work to be accomplished, not only by facilitating the transfer of funds from the insular depositories in the United States to the insular depositories in the Philippine Islands and the reverse, but likewise by a most prompt and efficient aid in the mintage of the new coins and in the work of engraving and printing the silver certificates. In fact, the maintenance of the gold standard would have been much more difficult had it not been for the cooperation of the Treasury Department in the United States in making the transfers aforesaid without the necessity for the actual transmission of money to and fro. The action of the Secretary of the Treasury in authorizing the deposit of Philippine certificates of indebtedness by national banks as security for United States Government deposits in the banks likewise added materially to the selling value of these certificates and thereby operated greatly to the advantage of the insular treasury.

The intelligent and instructive report of the chief of the division of currency is hereto annexed and marked "Exhibit 6," wherein can be found the details of the various currency transactions that have occurred during the year past. It ought perhaps to be remarked that since the final determination of the government to eliminate the old currency by the means above stated the banks of Manila have cooperated with the government in its effort to expedite the establishment of the new currency upon a gold basis and to eliminate the old currency.

The insular government likewise had the benefit of the valuable advice of Prof. Jeremiah W. Jenks, professor of economics in Cornell University and a member of the International Monetary Conference Committee appointed by the President of the United States for the purpose of attempting to secure an international agreement in regard to the use of silver as money.

In all steps taken for the sale of certificates of indebtedness, for the purchase of silver for recoinage, the arrangement of interest on the deposit of gold-standard funds in New York, looking after the details

of coinage and shipment of coin, the efforts of Col. Clarence R. Edwards, U. S. Army, Chief of the Division of Insular Affairs, War Department, have been most constant, and his services have been of great value to the insular government.

BANKS AND BANKING.

During the period covered by this report no new banks have been established in the Philippine Islands. A large Chinese bank is said to be in process of formation, to have its headquarters at Manila. The Guaranty Trust Company of New York has withdrawn from the islands and transferred its business in the Philippine Islands to the International Banking Corporation of Connecticut. The funds of the insular government in the islands not retained in the treasury vaults have been distributed between the Chartered Bank of India, Australia, and China, the Hongkong and Shanghai Banking Corporation, and the International Banking Corporation, all authorized depositories for funds of the United States Government and of the government of the Philippine Islands. At the close of the fiscal year 1904 funds belonging to the insular treasury were distributed as follows:

Bank balances.	Philippine currency.	United States currency.	Local cur- rency.
Hongkong and Shanghai Bank	\$262,870.04	\$3,994.55	\$356,380.33
Chartered Bank of India	721,728.37	6,990.96	390,940.06
International Banking Corporation	243,972.57	4,979.93	762,783.06
Special deposit, International Banking Corporation, Manila	500,000.00		
Guaranty Trust Company at New York		7,297,277.01	
International Banking Corporation, at Washington, D. C.		3,891,232.48	
Merchants' Laclede National Bank, St. Louis		31,873.28	
In transit, United States mint, San Francisco		482.90	
In hands treasurer, Cebu, for exchange	110,349.50		
Insular treasury	2,205,889.50	2,115,394.82	1,013,141.32
Total	3,984,810.07	13,352,135.93	2,532,245.57

The status of the American Bank, so called, remains as stated in the last report from this office.

The Spanish-Filipino Bank has strenuously urged that the issue by the government of silver certificates is in violation of the bank's alleged exclusive right to issue paper money in the islands.

Upon the recommendation of this office, the Commission, on the 19th day of May, 1904, took action as shown by the following excerpt from its minutes:

The president presented a communication, dated November 6, 1903, from the managers of the Banco Español-Filipino, protesting against the issuance of silver certificates by the government, claiming that said certificates are, in fact, demand notes, and that the charter of the Banco Español-Filipino gives to it exclusive right to issue demand notes. This communication had been considered by the secretary of finance and justice, who had indorsed it as follows:

"The Spanish-Filipino Bank within protests against the issue and circulation by the treasury of the Philippine Islands of the silver certificates placed in circulation by it as constituting a violation of the chartered and vested rights of that bank. The communication is dated November 6, 1903. It is to be observed, primarily, that the issuing of the silver certificates, substantially as authorized by the Congress of the United States, was discussed and recommended in the successive reports of the secretary of finance and justice to the

refused to make such extensions, both upon the ground that sufficient time had already been given to the public to prepare for the change and sufficient facilities had been furnished to facilitate the exchange of the old coins for the new, and because it was considered to be in the interests of the general public that uncertainty should not longer continue and that the transition period should be made as short as possible.

The Secretary of War has furnished aid of the utmost importance in the inauguration of the new currency system by authorizing quartermasters and paymasters in the Philippine Islands to make payments in the new currency. As appropriations for the United States Army are in money of the United States, the effect of this order has been to render large amounts of United States money available to the insular government for the purposes of exchange, and to issue therefor Philippine currency, which has been distributed from one end of the archipelago to the other through the disbursements made by the quartermasters and paymasters of the Army. This system has not only greatly facilitated the wide circulation of the new currency, but has likewise furnished a constant replenishment of United States money for the purpose of redeeming Philippine currency presented at the treasury.

It ought also to be remarked that the Treasury Department of the United States has in every way cooperated with the work to be accomplished, not only by facilitating the transfer of funds from the insular depositories in the United States to the insular depositories in the Philippine Islands and the reverse, but likewise by a most prompt and efficient aid in the mintage of the new coins and in the work of engraving and printing the silver certificates. In fact, the maintenance of the gold standard would have been much more difficult had it not been for the cooperation of the Treasury Department in the United States in making the transfers aforesaid without the necessity for the actual transmission of money to and fro. The action of the Secretary of the Treasury in authorizing the deposit of Philippine certificates of indebtedness by national banks as security for United States Government deposits in the banks likewise added materially to the selling value of these certificates and thereby operated greatly to the advantage of the insular treasury.

The intelligent and instructive report of the chief of the division of currency is hereto annexed and marked "Exhibit 6," wherein can be found the details of the various currency transactions that have occurred during the year past. It ought perhaps to be remarked that since the final determination of the government to eliminate the old currency by the means above stated the banks of Manila have cooperated with the government in its effort to expedite the establishment of the new currency upon a gold basis and to eliminate the old currency.

The insular government likewise had the benefit of the valuable advice of Prof. Jeremiah W. Jenks, professor of economics in Cornell University and a member of the International Monetary Conference Committee appointed by the President of the United States for the purpose of attempting to secure an international agreement in regard to the use of silver as money.

In all steps taken for the sale of certificates of indebtedness, for the purchase of silver for recoinage, the arrangement of interest on the deposit of gold-standard funds in New York, looking after the details

of coinage and shipment of coin, the efforts of Col. Clarence R. Edwards, U. S. Army, Chief of the Division of Insular Affairs, War Department, have been most constant, and his services have been of great value to the insular government.

BANKS AND BANKING.

During the period covered by this report no new banks have been established in the Philippine Islands. A large Chinese bank is said to be in process of formation, to have its headquarters at Manila. The Guaranty Trust Company of New York has withdrawn from the islands and transferred its business in the Philippine Islands to the International Banking Corporation of Connecticut. The funds of the insular government in the islands not retained in the treasury vaults have been distributed between the Chartered Bank of India, Australia, and China, the Hongkong and Shanghai Banking Corporation, and the International Banking Corporation, all authorized depositories for funds of the United States Government and of the government of the Philippine Islands. At the close of the fiscal year 1904 funds belonging to the insular treasury were distributed as follows:

Bank balances.	Philippine currency.	United States currency.	Local currency.
Hongkong and Shanghai Bank	\$22,870.04	\$1,994.55	\$356,340.33
Chartered Bank of India	721,728.37	6,900.96	300,940.06
International Banking Corporation	243,972.57	4,979.93	762,783.66
Special deposit, International Banking Corporation, Manila	500,000.00		
Guaranty Trust Company at New York		7,297,277.01	
International Banking Corporation at Washington, D. C.		3,891,232.48	
Merchants' Laclede National Bank, St. Louis		31,873.28	
In transit, United States mint, San Francisco		482.90	
In hands treasurer, Cebu, for exchange	110,349.50		
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"The Spanish-Filipino Bank within protests against the issue and circulation by the treasury of the Philippine Islands of the silver certificates placed in circulation by it as constituting a violation of the chartered and vested rights of that bank. The communication is dated November 6, 1903. It is to be observed, primarily, that the issuing of the silver certificates, substantially as authorized by the Congress of the United States, was discussed and recommended in the successive reports of the secretary of finance and justice to the

Philippine Commission, and in the reports of the Philippine Commission to the Secretary of War for two or three years prior to the 6th day of November, 1903, which documents were published, and presumably were well known to the managers of the Spanish-Filipino Bank. The legislation by the Congress of the United States, in pursuance of those recommendations, enacted on March 2, 1903, was thoroughly discussed in both Houses of Congress and in the committees intrusted with the preparation of the act finally enacted, and those matters were all of public notoriety and of such publicity and notoriety that the Spanish-Filipino Bank must be presumed to have had the fullest notice of the contemplated action. After the enactment of the act of Congress of March 2, 1903, authorizing the issue of the silver certificates, immediate steps were taken to procure the engraving of suitable plates for the certificates and for the printing thereof, and they were duly prepared at large expense and transmitted to the civil governor of the Philippine Islands, and by him delivered to the treasurer and issued in accordance with the provisions of law. Many of them were in actual circulation before the 6th day of November, 1903. Down to that date there had not been, to my knowledge, the slightest intimation from the Spanish-Filipino Bank that it regarded the act of Congress as an invasion of the rights of the bank in any respect, or the preparation of the plates and engravings and of the certificates themselves and the issue thereof. Had the bank called the attention of Congress to the claim that the issue of such certificates was in violation of its chartered rights, its claim would have doubtless received due consideration, and the bank could not have been deemed to have slept on its alleged rights. Their long silence in this behalf ought to be deemed an acquiescence in the legislation and an agreement on their part that they would not in any way oppose the issue of certificates, but that they were content to have them issued, not deeming them to be in any respect a violation of the chartered rights of the bank.

"But, irrespective of the effect of this acquiescence, I am of the opinion that the claim and protest of the bank is not well founded. It is unnecessary at this point to go into a discussion of the question as to whether the charter of the bank, wherein it claims an exclusive right to issue circulating notes in the Philippine Islands until January 1, 1928, is or is not valid, or as to whether that alleged right is or is not protected by the treaty of Paris, or as to whether the issuing of that which is money is not so clearly a governmental function that the treaty of Paris, like any other law, can not be deemed to have contemplated a binding of the American Government not to exercise the ordinary functions of a government and not to make adequate provision for the expanding needs of commerce for the issuance of circulating money to meet those needs.

"For the purposes of the present question, it seems to me that it is a sufficient and satisfactory reply to say that the silver certificates are not demand notes within the meaning of the law or within the meaning of the language of the charter of the Spanish-Filipino Bank. There is no law which makes such certificates money, in the technical sense of the term. They are not made legal tender for private debts in the Philippine Islands. The act of Congress referred to provides that 'the gold coins of the United States and the silver Philippine pesos shall be the sole legal-tender money of the Philippine Islands.' Section 8 of that act is the one which authorizes the issue of the silver certificates. By its terms the treasurer of the Philippine Islands is authorized, in his discretion, to receive deposits of the standard silver coins of one peso, authorized by the act to be coined, in sums of not less than 20 pesos, and to issue silver certificates therefor in denominations of not less than 2 or more than 10 pesos, and coin so deposited shall be retained in the treasury and held for the payment of such certificates on demand, and used for no other purpose. They are certificates authenticating that silver pesos have been deposited at the treasury to redeem them and authorizing the bearer to present them at the treasury and receive such pesos. No person is compelled to receive them in payment of a debt due him. The government, by said section 8, is required to receive the certificates for customs duties and taxes and public dues, because the government has in its own vaults silver which they represent. Any banking association may count them as a part of its lawful reserve, because its lawful reserve might be in pesos, and the pesos are at hand awaiting the presentation of the certificates. They do not possess the essential elements of money; they are not the promise of any government or banking institution to pay money for them. They are a convenience devised by the government for the transaction of business with paper certificates in lieu of the heavy coins that would otherwise require transportation from place to place in the business of the islands. They are not as

nearly money as the certificates or notes that were issued by individuals during the civil war in the United States, wherein they promised to pay the sums stated in the notes issued upon demand. Such private papers were never recognized as money and had no legal status. While the silver certificates have a legal status, it is not a legal status of money or circulating notes.

"It should be remarked that the utmost limit of circulating notes that could be issued by the Spanish-Filipino Bank by the terms of its charter is three times its paid-up capital if those provisions are valid and binding. Such an amount of paper representative of money values is totally inadequate to the business of the islands, and the law ought not to be strained for the purpose of protecting a monopoly that hampers every business enterprise. No strained construction of the law is required to substantiate the views here suggested."

After consideration by the Commission, on motion, it was

Resolved, That the protest of the Spanish-Filipino Bank, dated November 6, 1903, against the issuance of silver certificates by the treasury of the Philippine Islands as a violation of its chartered rights is not deemed to be well founded, for the reasons stated in the indorsement by the secretary of finance and justice, and that the Spanish-Filipino Bank be notified of this conclusion.

No further action has yet been taken.

The Spanish-Filipino Bank has likewise strenuously urged that its exclusive right to the issuance of paper money ought to be recognized, and to the full extent of the rights claimed under its charter; that is, to issue such paper money to three times the amount of its paid-up capital. The action of the Commission upon this subject is shown by its resolution as follows, adopted on the 17th day of May, 1904, which was transmitted to the bank:

Commissioner Ide presented to the Commission a communication, dated April 4, 1904, from Mr. Eugenio del Saz Orozco, director of the Banco Español-Filipino, relative to the present status of that bank, which communication had been indorsed by the secretary of finance and justice as follows:

"Señor Orozco, director of the Banco Español-Filipino, within requests that he 'be favored with the resolution of the civil government in the matter of the claim submitted by the Spanish-Filipino Bank more than two years ago for the recognition in their integrity of the statutes and charter of that bank as conferred upon it by the Spanish Government, and more especially in connection with the exclusive right of issue of demand notes payable to bearer conferred by such statutes and charter.' Señor Orozco urges authoritative determination, so that the matter may be laid before the stockholders of the bank, and states that the management has experienced great embarrassment from its inability to inform the stockholders of the action of the government.

"There has never been, to my knowledge, two years ago or at any other time, a request that the civil government determine the status of the Spanish-Filipino Bank in the respect referred to. There was correspondence in September, October, November, and December, 1901, in relation to the desirability of the bank's restricting its issue of circulating notes or paper money to the amount of its paid-up capital, the authorities at Washington having stated that such a course ought to be taken in the interests of conservative banking and for the safety of the bill holders. An interview upon the whole subject of the bank's status was had at my office on the 22d day of November, 1901, between the secretary of finance and justice, Señores Balbas and La Rosa, managing directors of the bank, and the committee appointed by the shareholders of that bank, consisting of Señores Alonso and Ossorio and their attorney, Mr. Marple. That interview covered the whole subject of the claim of the bank under its charter, and likewise the objections that had been presented at Washington to the exercise of the rights claimed by the bank. The interview was for the purpose of ascertaining if some working basis could not be arrived at, and a transcript of the interview was subsequently forwarded to the Secretary of War at Washington, and was in the possession of Governor Taft when appearing before the House and Senate committees while he was in the States on account of ill health. The correspondence referred to with the bank officials outlined the legislation relating to banking in the Philippine Islands, which it was proposed to ask Congress to enact, and the bank officials were furnished with a copy of the act proposed, as approved by the Commission and by Mr. Conant, the financial expert sent here by the Secretary of War. All this occurred before the end of the year 1901.

After discussion at Washington, the whole banking features of Philippine legislation were eliminated entirely, and ultimately a new system of currency was authorized, which has been put in force, but no action whatever has been taken by Congress toward the establishment of a banking system in the islands. The regulation of banking, like all other business enterprises of the islands, is doubtless within the competence of the Commission, but it is not probable that the Commission, at present at least, and without further legislation by Congress, will undertake to deal with the subject of banks with power to issue paper money; nor is it deemed to be indispensably necessary that such action should be taken immediately. The new currency system is becoming rapidly well established in the islands, and further financial experiments are undesirable for the immediate present. Meanwhile the Spanish-Philippine Bank furnishes a small amount of paper money which passes among the people, and United States paper money is quite extensively in circulation. The silver certificates issued by the government, in response to the deposit of Philippine pesos, likewise furnish a convenient means of carrying on business transactions. It will thus appear that the claims of the bank and the views of the insular government have been presented to Congress, and no action has by it been taken.

"There are many special features in the charter of the Banco Español-Filipino, to some of which attention is here called.

"Paragraph 11 of article 4 of title 1 of the charter reads: 'To contract (or deal) with the treasury of the islands under its own guaranty through its branches, but with the previous consent and authority of the minister for the colonies.'

"It is apparent that the power thus referred to can only be exercised by virtue of the authority of the minister for the colonies. There is no minister for the colonies that is now authorized to exercise any power in these islands. This paragraph probably is not capable of effective operation without additional legislation.

"Paragraph 12 of article 4, same title, reads: 'To issue loans to the provinces or its municipal territories with the previous consent and authority of the protector and the constitution of proper security.'

"The provinces and municipalities are not, to my knowledge, vested with power to borrow money from banks or to incur indebtedness in the way of borrowing money; nor would it be prudent to intrust the municipalities or the provinces with such general power. Nor is the intervention of the 'protector' in such matters authorized by any existing law. This paragraph does not seem to be self-operative without further legislation.

"Paragraph 18, article 4, of the same title, reads: 'To arrange with the minister for the colonies, or its representatives, duly authorized to that effect, for the emission and negotiation of public bonds, for the payment of the same, or for any other service of the treasury.'

"For the reasons above stated, this paragraph does not seem to be effective without further legislation.

"Article 15 of the same title provides that 'The bank possesses the private (or individual) power to issue paper money throughout the archipelago, payable to bearer upon demand, for three times the amount of its cash capital set aside, subject to article 180 of the Code of Commerce, provided a reserve fund in metallic cash is kept on hand in the bank amounting to at least a fourth part of the deposits, currency accounts in metallic cash, and bank notes in circulation. The denominations which it may issue are of 5, 10, 25, 50, 100, and 200 pesos.'

"It is under this article that the bank claims the exclusive right to issue paper currency to the amount of three times its paid-up capital, subject to the provisos referred to. The word 'privativo' in the Spanish or original charter is translated in my copy 'private' or 'individual,' but proper translation of which the bank claims to be 'exclusive,' instead of 'private' or 'individual.' Doubtless this provision would not have prevented the Spanish Government from printing or issuing its own money and circulating medium, nor is it at all certain that a transference of the sovereignty would prevent the new sovereign from exercising one of the highest functions of sovereignty in the issuance and regulation of money of all kinds. It is likewise certain that, whatever efficacy may be given to this article, the new sovereignty has the power to enact necessary regulations for the security of the public, for the safeguarding of that which is received as money by the public in general, and for the abundant protection of depositors and holders of the securities of this or any other bank. From this position the Commission has not deviated at any time. But

the kind of legislation that ought to be enacted to accomplish these results has not yet been finally determined upon. This article doubtless is the one in regard to which the bank is more solicitous than it is in regard to any other.

"Article 16 authorizes the bank to be a party to actions instituted to prosecute parties forging or falsifying the bank's paper money. It would seem apparent that the question of whether a private individual or corporation can be a party to a criminal prosecution would be determined by the general law of the country, which may be altered from time to time, as it pertains to criminal remedies and not to any chartered or vested rights of the institution.

"Article 17 requires the approval of the minister for the colonies as to the establishment of branches of the bank and as to their location. This article would not seem to be effective without further legislation.

"Article 18 is one of considerable importance. It reads as follows: 'Foreigners may become stockholders in the bank and participate in all exchange and banking transactions in the same form as the nationals, but they can not hold any position in the management or administration of the bank unless they become naturalized and ask to be residents of the country. All accounts belonging to foreigners in the hands of the bank shall be exempted from all attachment, confiscation, and reprisal in case of war declared against their respective countries.

"The term 'foreigners,' as introduced into the charter, probably meant all persons who were not subjects of the Crown of Spain, and such persons were excluded from holding any position in the management of the bank unless they became naturalized. Under such construction all Americans would be foreigners. It would be impossible for them to become naturalized within the meaning of that term—that is, become citizens of Spain by virtue of any law now existing. The anomalous condition would therefore exist of there being a bank in an American country, under American sovereignty, from the management of which all Americans were excluded. It is not clear that Filipinos could take part in the management of the bank. They are no longer Spanish subjects, nor can they be naturalized by any law yet enacted. This whole article is anomalous and needs careful revision.

"Article 20 makes it the duty of the bank to loan to the treasury of the archipelago, without interest, \$500,000 when its capital is not over \$1,500,000, and one-third of its capital when it exceeds that amount, for periods not exceeding six months of each year; and also compels the bank to loan further sums, at rates of interest to be agreed upon—practically 1½ per cent less than the current discount to the public—with the proviso that such interest shall not exceed 5 per cent per annum. This privilege has never been exercised by the Insular government, nor did the article apparently contemplate the loan to a different sovereignty than that of Spain. It is not clear that this article, without further legislation, is effective.

"Article 23, fixing the capital at \$1,500,000, in shares of \$200 each, apparently provides for an increase of capital to the amount of \$3,000,000 when authorized by the stockholders in general meeting. Inasmuch as article 15 is claimed to authorize the issuance of paper to the amount of three times the paid-up capital, article 23 becomes important. It is quite manifest that the bank ought not to be allowed, at its own discretion, to increase its capital when such increase carries with it an increase in the amount of paper money set afloat, and when the government might deem such increased amount of paper money to be highly dangerous.

"Article 26 provides for the retention of 1,000 shares, which shall be nontransferable, until the corporation holding them shall seek to dispose of them and His Majesty's Government shall so order; and also, in order that the shares may become subject to an attachment, an order from competent authority must be issued. It is probable that these shares belong to some religious corporation. If so, it would not be in accordance with the theory of our government that the property should be inalienable, nor would it be a proper thing to be obliged to resort to the authorities of the Spanish Government to alienate them, nor should they be exempt from attachments any more than any other private property. This article needs revision.

"Article 30 provides that, after payment of expenses, a reserve fund of 10 per cent shall be set aside for the 'direccion,' and 5 per cent for the 'junta de gobierno,' the remaining 85 per cent being divided among the stockholders pro rata. This article is not specially objectionable, if the stockholders desire to have it enforced, except in so far as the constitution of the 'junta de gobierno' and of the 'direccion' are perhaps objectionable, as hereinafter stated.

"Under title 4 the following provision appears, probably as article 33, though not numbered in my copy: 'The high management and superior régime of the bank shall be vested in the protector, the governor-general, who may temporarily delegate a person of his trust to act in his behalf as such protector and in such part as he may deem proper, provided such deputy is a member of the council of administration or is vested with a like authority.'

"This article seems to make the governor-general the protector of the bank. He was a Spanish officer, appointed by the Crown of Spain. Such was the intent and meaning of the charter when granted. Whether the chief executive of the islands under American sovereignty could exercise such powers it is unnecessary now to determine, although the matter ought to be definitely settled, both as to whether he can exercise those powers and as to whether he ought to. Further legislation by the Commission would perhaps be required to intrust the civil governor with those powers. It is not known that the power has ever been exercised by the civil governor either to act as protector or to appoint a deputy to perform such portions of his functions as he might deem proper.

"Under article 35 the powers of the protector are defined: 'First. To appoint the directors, the secretary, and one of the syndics, to be selected by him from the ternary (consisting of three persons) lists, as proposed by the stockholders in general meeting.'

"Under this provision the stockholders select three persons for directors and from them the protector appoints those who are to act.

"Second. To appoint of his choice the other syndic, omitting the requisite of a ternary.'

"This paragraph apparently authorizes the protector to appoint one syndic irrespective of the wishes of the stockholders.

"Third. To determine the issues of stock.'

"It will be seen that this authority is large and great. It would also seem to be apparent that there could be no increase above the \$1,500,000 stock now issued without the consent of the protector. It would seem, therefore, that until the civil governor assumes the duties of protector, by legislation of the Commission or otherwise, no authority could grant the right to increase the stock of the bank above its present issue.

"Fourth. To approve the rates of interest fixed by the bank on discounts and loans.'

"This provision probably gives the protector power to veto rates of interest fixed, and perhaps to establish other rates.

"Fifth. To suspend or detach from their respective positions all directors or members of the Junta de Gobierno should there be sufficient cause to justify such suspension.'

"This power is a very important one.

"Sixth. To resolve gubernatively all differences and doubts which may arise on matters relating to the interior management or the observance of the present statutes and regulations of the bank.

"Seventh. To order the revision of the statutes or the regulations of the bank when he may think so proper, or at the request of the stockholders in general meeting.'

"This power is one of very great importance.

"Eighth. To exercise all the powers which the law confers upon him as a representative of His Majesty's Government over all public institutions which are protected and franchised.'

"It will be seen, therefore, that the bank was intended by its charter to be in a sense a government institution, and that the theory of its charter contemplated that it should be under the immediate control and largely the absolute protection of the protector or governor-general. None of these powers have ever been exercised by the civil governor, and it is not clear that it should be the policy of the government to assume such large responsibilities for the conduct and management of a bank. It is probable that it might be more in line with American theory and institutions that such legislation should be enacted as would make the bank a self-governing institution, but subject to suitable laws for expansion and regulation, such as may be deemed necessary for safeguarding the stockholders, depositors, and note holders.

"Under article 36 the deputy protector is intrusted with large powers, such as calling meetings of stockholders, calling meetings of the Junta de Gobierno, presiding over general meetings; and, fourth, 'To order the suspension of all reso-

lutions passed by the stockholders in general meeting or by the Gobierno at the request of any of the syndics when they conflict with the statutes and regulations.'

"Fifth. To supervise and manage all the departments of the bank and to submit for approval to the protector any changes and additions they may wish to make or remarks to offer in the interests of the institution.

"Sixth. To assist in person in the count of "cash" and the preparation of the "balance" sheet, which must be done every month, and certifying in the proper book over his signature to the correctness thereof.

"Seventh. To answer all extraordinary reports required by the protector upon the bank's affairs after examining into the books, documents, and papers of the institution.'

"Inasmuch as there has not been since the complete establishment of American sovereignty in the islands any exercise of the powers of protector by the civil governor, or any appointment of a deputy protector, nor appointment of syndics by the protector, it is not apparent how the bank's affairs have been lawfully conducted, and it is not seen how, under the terms of the charter, the bank could have gone on legally in the conduct of its business. It would seem that its procedure must be subject to very grave doubts as to its legality and that steps ought to be taken to put the bank into such a situation that there can be no question as to the legality of the acts of its officers. The situation of bank officers who are conducting the business illegally and not in accordance with the provisions of the charter might prove to be a very unhappy one. These provisions seem greatly to need revision.

"Article 41 makes it the duty of the general stockholders' meeting of the bank, among other things: 'Third. To submit to the protector, through the hands of the bank's direction, ternary lists (containing three names) to fill the positions of directors, secretary, and one of the syndics.'

"This course could not have been followed since American occupancy, there being no protector or deputy protector acting.

"Article 45 likewise provides for the appointment of a second syndic by the protector, and article 46 provides that that syndic shall remain in office four years.

"Article 48 provides that the councilors and syndics shall be entitled to a fee for attendance at all sessions, and states that the fee is already provided for in article 29. Article 29 makes no provision in regard to this matter and relates to an entirely different subject. It is possible that there is a mistake in the translation.

"Under article 50 the authority of the syndics is defined. Their powers are important, and among others is the following: 'Fourth. To prevent thereupon the issuance of bank paper to a greater amount than that authorized by these statutes.'

"It would seem that without the lawful appointment of a syndic by the protector there could be no further issue of bank paper.

"Article 55 requires the Junta de Gobierno to submit, through the direction of the bank, a list of qualified persons from which the protector may appoint parties to fill the vacancies temporarily occurring. This article would seem not to be of efficiency unless there were a protector duly authorized by law to act.

"Title X, under the head of General Rules, reads: 'Unless by virtue of a judicial order, the bank is not permitted to give out any statement of the deposit of current account of any given person.'

"Perhaps this rule is not objectionable, but the law upon this subject should be general and applicable to all banks in the interest of justice.

"In view of the foregoing extracts from the charter of the bank a serious question likewise arises as to whether, under all the circumstances, the bank has any legal status under American sovereignty, and as to whether its provisions are not so interwoven with the Spanish sovereignty that there is no method of lawfully executing the provisions of the charter under a different sovereignty unless new legislation shall intervene. Under the American definition, a charter constitutes a contract between the state and the corporation chartered. Many of the provisions of the charter of the Spanish-Philippine Bank are in the nature of contracts of such a character that a stranger to those contracts can not be made a party to them without a revision of the charter itself. For instance, the provision that the bank shall loan one-third of its capital six months of the year to the government without interest, and other portions of its capital to the government at a low rate of interest, was a compact to make

those loans to a known government with which it was dealing, not with a third party who was a stranger to the whole contract. Suppose the insurrectionary Filipino government had succeeded in establishing itself. The principles of the international law which the bank invokes would have preserved its charter rights under the new government, but it would be a somewhat strained construction of law that would, under the charter, require the bank to make the loans referred to the insurrectionary Filipino government when that government might have been totally insolvent. It never contracted to make such advances to the American Government, to the Filipino government, or to any other government except the Spanish Government. But those provisions for loans are the considerations in part which the bank, as one contracting party, made to the Spanish Government, the other contracting party, for its privilege of existence, for its alleged monopoly in the issuance of paper money, and for the special protection which the government threw around it through the Protector and Syndic. Through every portion of the charter runs the current of an intimate contract made with the Crown of Spain, whereby duties and rights appertain to each, which are mutually interdependent. It is a serious question as to whether, under these circumstances, the duties and obligations which the Spanish Crown had assumed could be divested from it and transferred to the American Government. The law officers of the United States have uniformly refused to recognize the obligation of the United States or of the insular government to pay to the Manila Railway Company (Limited) a bonus in the form of a guaranty of earnings which the Government of Spain had made to that railroad company in its charter, upon the ground that the contract was with the Government of Spain, and that neither by principles of international law nor by the treaty of Paris did the United States assume any of the obligations incurred by the Crown of Spain.

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"Upon the principle here stated, the obligations which the Spanish Government had assumed to the Spanish-Filipino Bank were personal obligations which remained binding upon the two contracting parties, and which the Government of the United States never assumed by the treaty of cession. It would also seem that all the rights of full sovereignty were secured by the United States by the treaty of cession without being burdened with limitations on that sovereignty to which Spain has chosen to consent, except so far as the treaty protects vested property rights. So far as those property rights rested in contracts with the Crown of Spain, and where there were mutual contracts to be fulfilled, and where the Government of the United States had strenuously refused in the negotiations to assume any of the obligations of Spain, the situation is entirely different from that which exists where the Government of Spain had assumed privileges and rights to parties who now, under the new sovereignty, are entitled to the protection of such vested rights.

The purpose of this indorsement to enter into a discussion of this subject, these suggestions are made only for the purpose of showing the necessity for a change in the conditions now surrounding the Spanish-Filipino Bank, and for the purpose of calling to the attention of the Commission the question as to whether the bank, under the special circumstances, is in a status that is capable of vindication in the courts.

The correspondence above referred to, which occurred near the close of 1900, the bank officials stated, in substance, that while they claimed

that their privilege of note issue was an exclusive one, yet they did not consider monopolies of that character to be desirable, nor did they expect that the American Government would submit to having its paper-money circulation in the Islands limited in the manner provided by their charter, because it was not sufficiently elastic to meet the probable increase of the demands of commerce, and because such a privilege ought not to be controlled exclusively by one private institution; yet they insisted that the privilege was one that appertained to the bank by competent authority, and one that had been protected in the amplest manner by the treaty of Paris, whereby the Philippine Islands were ceded to the United States, and that the United States Government should abolish the exclusive rights which the bank claimed, either by an agreement with that bank or by expropriation of the exclusive privilege and paying just compensation therefor; and proposed to surrender the bank's exclusive privilege, receiving in compensation therefor an exemption from all taxation during the whole period covered by its charter, the exemption to apply to all of its circulation, and to its stock, deposits, and assets of every kind; this being upon the basis that the bank should continue to issue its paper currency only up to the amount of its paid-up capital, but that the right should not be exclusive.

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No reply to this communication has been received from the bank and no further recommendation is now made upon this subject.

It should, however, be remarked that by section 111 of Act No. 1189, entitled "An act to provide revenue for the support of the insular, provincial, and municipal governments by internal taxation," a tax of 1 per cent per month was imposed upon all circulating notes issued

those loans to a known government with which it was dealing, not with a third party who was a stranger to the whole contract. Suppose the insurrectionary Filipino government had succeeded in establishing itself. The principles of the international law which the bank invokes would have preserved its charter rights under the new government, but it would be a somewhat strained construction of law that would, under the charter, require the bank to make the loans referred to to the insurrectionary Filipino government when that government might have been totally insolvent. It never contracted to make such advances to the American Government, to the Filipino government, or to any other government except the Spanish Government. But those provisions for loans are the considerations in part which the bank, as one contracting party, made to the Spanish Government, the other contracting party, for its privilege of existence, for its alleged monopoly in the issuance of paper money, and for the special protection which the government threw around it through the Protector and Syndic. Through every portion of the charter runs the current of an intimate contract made with the Crown of Spain, whereby duties and rights appertain to each, which are mutually interdependent. It is a serious question as to whether, under these circumstances, the duties and obligations which the Spanish Crown had assumed could be divested from it and transferred to the American Government. The law officers of the United States have uniformly refused to recognize the obligation of the United States or of the insular government to pay to the Manila Railway Company (Limited) a bonus in the form of a guaranty of earnings which the Government of Spain had made to that railroad company in its charter, upon the ground that the contract was with the Government of Spain, and that neither by principles of international law nor by the treaty of Paris did the United States assume any of the obligations incurred by the Crown of Spain.

"A full discussion of this subject may be found in Magoon's Reports, page 177. So far as the Spanish Government was bound by the terms of the franchise in question, its obligations to the bank apparently remained unimpaired by the treaty of cession, the United States having paid to Spain \$20,000,000, largely in view of the assumption of any debts or obligations of the Spanish Government in relation to the ceded territory. This appears from the protocols of the treaty. Probably a correct view of the law on this subject is stated in Hall on International Law, pages 101 and 102, in discussing the correspondence between the United States and England with reference to the authority exercised by England over the Mosquito Shore, and to a treaty between Great Britain and Mexico, wherein the distinguished author says:

"Mr. Buchanan's general statement was accurate, but the very fact that Mexico succeeded to all the territorial rights of Spain, and consequently to full sovereignty within the territory of the republic, shows that it could not be burdened by limitations on sovereignty to which Spain had chosen to consent. It possessed all the rights appertaining to an independent state, disencumbered from personal contracts entered into by the state from which it had severed itself."

"Upon the principle here stated, the obligations which the Spanish Government had assumed to the Spanish-Filipino Bank were personal obligations which remained binding upon the two contracting parties, and which the Government of the United States never assumed by the treaty of cession. It would also seem that all the rights of full sovereignty were secured by the United States by the treaty of cession without being burdened with limitations on that sovereignty to which Spain has chosen to consent, except so far as the treaty protects vested property rights. So far as those property rights rested in contracts with the Crown of Spain, and where there were mutual contracts to be fulfilled, and where the Government of the United States had strenuously refused in the negotiations to assume any of the obligations of Spain, the situation is entirely different from that which exists where the Government of Spain had granted privileges and rights to parties who now, under the new sovereignty, seek protection of such vested rights.

"It is not the purpose of this indorsement to enter into a discussion of this question, and these suggestions are made only for the purpose of showing the great necessity for a change in the conditions now surrounding the Spanish-Filipino Bank and for the purpose of calling to the attention of the Commission the serious question as to whether the bank, under the special circumstances, has any legal status that is capable of vindication in the courts.

"In the correspondence above referred to, which occurred near the close of the year 1901, the bank officials stated, in substance, that while they claimed

that their privilege of note issue was an exclusive one, yet they did not consider monopolies of that character to be desirable, nor did they expect that the American Government would submit to having its paper-money circulation in the islands limited in the manner provided by their charter, because it was not sufficiently elastic to meet the probable increase of the demands of commerce, and because such a privilege ought not to be controlled exclusively by one private institution; yet they insisted that the privilege was one that appertained to the bank by competent authority, and one that had been protected in the amplest manner by the treaty of Paris, whereby the Philippine Islands were ceded to the United States, and that the United States Government should abolish the exclusive rights which the bank claimed, either by an agreement with that bank or by expropriation of the exclusive privilege and paying just compensation therefor; and proposed to surrender the bank's exclusive privilege, receiving in compensation therefor an exemption from all taxation during the whole period covered by its charter, the exemption to apply to all of its circulation, and to its stock, deposits, and assets of every kind; this being upon the basis that the bank should continue to issue its paper currency only up to the amount of its paid-up capital, but that the right should not be exclusive.

"In my opinion there is a hardship imposed upon the bank by not being more certain as to what its legal status is. Its request, contained in the within letter, that there should be an authentic determination of its status is not entitled as a right to any reply or determination. The bank has been allowed to do business and none of its chartered rights, so far as lawfully exercised and in harmony with existing laws and protected by the obligations imposed by the treaty of Paris, have as yet been interfered with. It has no just cause for complaint by reason of any action of the government. The demand for such an extensive exemption from all taxation was deemed by the Commission to be inordinate and unreasonable, and one that could not be entertained. It is for the interests of the bank and of the government that the status of so important an institution should be clearly known, and that it should not continue or attempt to continue doing business upon an unlawful basis. Some of the provisions of the charter above stated are of such a character that it is impossible for the bank to proceed without grave doubts as to the legality of its procedure; it needs legislation for its own protection and for the protection of its note holders, depositors, and stockholders. In my opinion the interests of the government and of the bank in this respect are alike, and the charter ought to be amended in such manner as to safeguard the public, the officers of the bank, and the rights of the government itself. Such amendments of the charter doubtless ought to be made with the concurrence of the stockholders of the bank, so that no legal questions as to the amendments might subsequently arise. The amendments ought to provide, on the one hand, for such changes as will secure the certain legality of the acts of the officers in the management of the bank, and sufficient protection to safeguard the interests of all, and for a restriction of the amount of paper currency which it might issue to the amount of its paid-up capital, with or without security, as may be determined, and provisions should also be made that all the paper money issued should constitute a prior charge upon all the assets of the bank. On the other hand, the exclusive privilege of the bank, if it has it, ought to be eliminated and done away with forever, so that at the proper time a comprehensive banking system may be established, such as will provide for the indispensable needs of commerce by authorizing a sufficient supply of paper currency."

After consideration by the Commission, on motion, it was

Resolved, That a copy of the foregoing indorsement by the secretary of finance and justice be transmitted to the Spanish-Philippine Bank, and that the said institution be requested to appoint a committee to confer with the secretary of finance and justice, and with such other members of the Commission, if any, as may be designated to act with him in regard to modifications of the charter of the bank, so that a scheme may be devised that shall be just to the government, to the bank, and to the public at large.

No reply to this communication has been received from the bank and no further recommendation is now made upon this subject.

It should, however, be remarked that by section 111 of Act No. 1189, entitled "An act to provide revenue for the support of the insular, provincial, and municipal governments by internal taxation," a tax of 1 per cent per month was imposed upon all circulating notes issued

by any bank in the Philippine Islands in excess of the amount of its paid-up capital, it being deemed dangerous to the public that paper circulating as money should be issued by a bank to a greater extent than the full amount of its paid-up capital, no security by way of government bonds or otherwise being provided by the terms of the charter of the Spanish-Philippine Bank for circulating notes issued.

THE CUSTOMS SERVICE AND THE TARIFF.

Mr. Morgan W. Shuster, the efficient collector of customs for the Philippine Islands, still holds that position. During his absence in the United States on leave for about seven months or more the duties of his office were performed to the satisfaction of the general public and of the government by the deputy collector, Mr. H. B. McCoy.

NEW LEGISLATION AFFECTING THE CUSTOMS SERVICE.

New legislation affecting the duties of the collector of customs and the administration of the bureau of customs during the past year has not been of great importance.

Act No. 1025, passed December 16, 1903, authorized the recognition of licenses issued by the Spanish Government to masters, mates, patrons, and engineers of seagoing vessels in the Philippine coastwise trade.

Act No. 1026, enacted December 16, 1903, reduced the annual tonnage tax upon cascoes and other vessels not decked over and not propelled by their own steam, sail, or similar motive power from 2 pesos to 1 peso Philippine currency per gross ton.

Act No. 1066, passed February 26, 1904, exempted steam vessels of less than 100 tons burden and sailing vessels of less than 150 tons from certain requirements as to the carrying of licensed officers.

Act No. 1149, passed May 10, 1904, authorized the civil governor to declare all wharves, landing places, or streets or lands which are necessary for customs purposes in any port of entry to be under the jurisdiction of the collector of customs of the port, subject to the ordinary general police powers of the municipality interested.

On May 19, 1904, by Act No. 1160, authority was given for the clearing of foreign vessels for the port of Isabela de Basilan, under proper restrictions.

The act of Congress approved April 15, 1904, entitled "An act to regulate the shipping and trade between the ports of the United States and ports or places in the Philippine Archipelago, between ports or places in the Philippine Archipelago, and for other purposes," prohibits, after July 1, 1906, the transportation of merchandise (except supplies for the Army or Navy) and passengers between ports of the United States and ports or places in the Philippine Archipelago, direct or by the way of a foreign port, in any other vessel than a vessel of the United States, but provides that the act shall not apply to transportation of merchandise or passengers between the ports or places in the Philippine Archipelago, the government of the Philippine Islands being authorized to adopt and enforce from time to time regulations governing the transportation of merchandise and passengers between ports or places in the Philippine Archipelago until Congress shall have authorized the registry as vessels of the

United States of vessels owned in the Philippine Archipelago. The same act further provides for the levying of tonnage taxes upon foreign vessels coming into the United States from the Philippine Archipelago as though coming from foreign countries. The Secretary of Commerce and Labor is authorized to issue regulations for the enforcement of the act, provided that such of the navigation laws of the United States as are in force in the Philippine Archipelago in regard to vessels coming into the Philippine Islands from the mainland territory and other insular possessions of the United States should continue to be administered by the proper officials of the government of the Philippine Islands. This act is undoubtedly of very great importance to the interests of the islands. Those provisions that authorize the regulation of the interisland commerce by the government of the Philippine Islands are sufficiently elastic to enable the local authorities to meet the conditions as they from time to time arise, and must be considered as entirely favorable to local interests. Those provisions of the act which prohibit the carrying of passengers or freight from the United States to the Philippines, or the reverse, after July 1, 1906, in any except American bottoms will probably increase materially the cost of passenger and freight transportation to and from the islands and the United States after July 1, 1906. These provisions doubtless will operate for the benefit of the shipping of the United States, but it is feared that the increased prosperity to the American shipping companies will be at the expense of the Philippine Islands by increasing the cost of all commodities imported from the United States and increasing the charge made upon exports of the Philippine Islands to the United States, so that competition in the United States by products exported from the islands will be more difficult by reason of the enhanced cost of transportation.

NEW FACILITIES.

The facilities for transacting business in connection with the customs service at the port of Manila have been materially improved during the year and of course will be greatly improved when the harbor works now under process of construction are completed. Large appropriations have also been made for the harbors of Iloilo and Cebu, which improvements, when completed, will greatly facilitate the customs service at those important points. The complaints that were formerly made as to the expense and delay experienced in the landing of cargoes at the port of Manila have almost entirely ceased. The system of landing by the running check has been continued with most satisfactory results.

In the last report from this office it was stated that appropriation had been made for the purchase of the "arrastre" plant for the purpose of receiving imported goods at the customs wharves, from the lorchas, cascoes, or lighters in which the same had been brought from the steamers to the customs wharves, and transporting the same by tramways or other facilities to the proper customs warehouses. This operation had been performed before that time by a private firm. The result of the purchase and operation by the government has been most satisfactory, owing doubtless in part to the efficient management thereof by Mr. Clifford D. Ham, deputy surveyor of customs, who has had charge of the operation of the plant.

The public has been given a service much superior to any they have ever before had, while the charges for the service have been materially reduced and have resulted in a saving of at least 108,600 pesos per year to the importers. This saving will be materially larger during the coming year, inasmuch as on July 1, 1904, the then existing rate of 1 peso and 50 centavos per ton for warehouse deliveries on all merchandise was reduced to 1 peso and 25 centavos, a decrease of 16 per cent. Nevertheless the charges have been sufficient to pay all the operating expenses and to reimburse the insular treasurer for the entire cost of the plant. The reimbursement, it will be noticed, has been made in less than one year from the date of the purchase. The result has been in every way satisfactory to the government financially and to the exporting and importing public.

EMPLOYEES.

It is worthy of note that a large percentage of the employees in the customs service at Manila have been Filipinos, whose services have been on the whole very satisfactory. The collector of customs states that in the combined collection and disbursement of nearly 50,000,000 pesos by customs officers during the past three years not 1 cent has been lost through absconding or defaulting officers; that there have been but two cases of misappropriation of public funds, one of a minor character, and in each instance the offender was promptly detected, prosecuted, and sentenced, and restitution secured of the misappropriated funds.

During the year there have been employed 219 Americans and 218 Filipinos belonging to the classified civil service, and 173 Filipinos belonging to the unclassified service, the total employees for the port of Manila during the year being 219 Americans and 391 Filipinos.

COST OF COLLECTION.

The cost of collecting customs dues has been kept within what are believed to be reasonable limits, considering the difficulties of the situation, although further economies are considered to be practicable. The cost of collecting \$1 during the fiscal year 1904 has been \$0.0426, as against a cost of \$0.0381 for the same amount during the fiscal year 1903, the increased cost coming mainly from the necessity of maintaining substantially the same force and receiving materially smaller customs duties, as hereinafter stated. The cost of collecting \$1 in the port of San Francisco, on the same basis as is adopted for computation in this port, is 6 cents; in Baltimore, \$0.052; in Hawaii, \$0.089, and in Porto Rico, \$0.067.

RECEIPTS AND EXPENDITURES.

The total expenditure for the bureau of customs for the fiscal year 1904 was \$563,463.79, including the purchase of the "arrastre" plant, permanent repairs, rental and supplies, and salaries and wages. The expenditure for the fiscal year 1905 will be less, the falling off of the revenues requiring a reduction of expenditures.

The total net receipts from the bureau of customs for the fiscal year 1903 were \$9,013,778.82, and for the fiscal year 1904, \$7,924,096.30,

showing a reduction of \$1,089,682.52 net customs receipts, after deducting duties paid by the government on imports for its own use and all refundable duties. One cause of this great reduction in the receipts, so far as exports are concerned, is the small copra crop, the especially dry season last year having seriously affected the production. So far as imports are concerned the diminution of the purchasing power of the people, resulting from war, pestilence, and death of animals, has had an important effect, the reserve funds in the hands of the people having been largely consumed in purchasing necessities of life during prior years of hardship. The difficulties incident to a change of currency also have been no small factor in retarding business.

The diminution in customs receipts did not commence to show greatly until about the 1st of October, 1903, and appears in a more marked degree from a comparison of the total net receipts for the twelve months beginning with the 1st of October, 1903, with the total net receipts for the corresponding twelve months beginning with the 1st of October, 1902, the total net receipts during the earlier period being \$9,019,829.72, and the total net receipts during the later one being \$7,620,632.63, showing a diminution during the twelve months beginning with October 1, 1903, of \$1,399,197.09 as compared with the like period of the preceding year, or a reduction of 15½ per cent.

Included in the statement of customs receipts for the fiscal year 1904 are \$107,338.13, money of the United States, received on importations by the Government, by virtue of Act No. 875, entitled "An act providing for the collection of duties on goods, wares, and merchandise imported into the islands for use of the insular, provincial, or municipal governments," which sum is in no sense income.

REFUNDABLE DUTIES.

The effect of that portion of the act of Congress approved March 8, 1902, entitled "An act temporarily to provide revenue for the Philippine Islands, and for other purposes," which provides for the refund of all export duties imposed in the Philippine Islands upon articles exported therefrom into and consumed in the United States, still continues to be most disadvantageous to the islands. Since its enactment down to the close of the fiscal year 1904, \$1,060,460.20, money of the United States, has been collected in the islands as export duties, which are refundable because the dutiable goods were imported into and consumed in the United States.

The effect of this provision of law is to enable manufacturers of articles made from hemp in the United States to compete on more favorable terms than like manufacturers in other parts of the world, the export duties collected not being refunded to exporters whose merchandise is consumed in other parts of the world. Certain industries in the United States are thereby stimulated at the expense of the Philippine treasury. It is not believed that such was the intention of Congress in the enactment aforesaid, but such is undoubtedly the result. Nor is this great loss counterbalanced by the provision of the same act of Congress that customs duties collected in the United States on imports from the Philippine Islands should be returned to the insular treasury. The amount so returned or to be returned, down to the close of the fiscal year 1904 is only \$721,884.80,

leaving a balance against the insular treasury of \$338,575.40 by reason of the legislation aforesaid.

It ought also in this connection to be remarked that this discrimination in favor of the United States on export duties has been regarded by foreign nations as a violation of the "open door" policy in the Orient, and as such has been called to the attention of the State Department at Washington by the representatives of several of the large commercial powers.

RICE IMPORTATIONS.

The importation of rice still continues to reach great dimensions. The amount and value of rice imported into the islands during the fiscal years 1899 to 1904, inclusive, are as follows:

Rice imported into the Philippine Islands by fiscal years—Value and duty represented in United States currency—Government free entries not included.

[Values are invoice values in country from whence imported.]

Year.	Quantity.	Value.	Duty.
	<i>Pounds.</i>		
1899.....	128,383,130	\$1,938,932	\$374,607
1900.....	244,673,707	3,186,138	622,542
1901.....	422,642,506	5,490,958	1,128,694
1902.....	477,051,362	6,578,481	1,174,058
1903.....	663,185,639	10,061,323	1,535,563
1904.....	727,124,332	11,548,814	1,650,720
Total.....	2,653,000,616	38,804,706	6,526,214

It thus appears that since and including the year 1899, \$38,804,706, money of the United States, has been sent out of the islands for the purchase of rice, and that during the fiscal year 1904 a larger sum than ever before was sent out for that purpose. This latter fact, in a sense, tends to show that the people have had money to purchase rice, but, on the other hand, it shows a tremendous drain upon the resources of the islands for the purchase of a commodity which ought to be produced here in a sufficient amount to supply all the demands of the inhabitants, as was true in former years. If there should be as large an importation during the present year as during the last, it would be a very marked indication that the people were able not only to consume the immense quantity of rice that will be raised this year, but likewise to purchase largely from abroad.

This drainage of the resources of the country, however, is undesirable, and it is believed will not be permanent. It will be observed that while the importation of rice for the fiscal year 1904 took out of the islands \$11,548,814, the exportation of hemp during the same year brought into the islands \$21,794,760, money of the United States, or \$10,245,946 more than enough to pay for all the rice imported. The balance of trade was in favor of the islands for the fiscal year 1903, but against them for the fiscal year 1904, the imports for the latter year amounting to \$33,221,250 in value and the exports to \$30,226,127, leaving a net adverse balance of trade amounting to \$2,995,123, imports and exports of currency not being included. The drain upon the islands caused by this excess of imports over exports,

however, is not as serious as it might appear at first blush, because very large importations of merchandise are sold by merchants to the officers and men of the United States Army and Navy in the Philippine Islands, and are paid for by funds remitted from the United States, and therefore payment for such imports does not come from the body of the Philippine people. In these statements of exports and imports nothing is included for supplies and material imported for or exported by the Army or Navy of the United States. Such importations and exportations do not enter into these statistics. With the great renewal of agriculture now apparent, the prospective large crops of rice and hemp, and the higher present price for sugar, it is believed that for the fiscal year 1905 the balance of trade will again be in favor of the islands.

In the value of imports the United States rises for the fiscal year 1904 from fourth to second place, the French East Indies, as indicated, taking the first place on account of the extensive importations of rice therefrom. England held the second place in 1902 and 1903, and third place in 1904. The United States still continues to take the lead in the value of exports received from the islands.

It is believed that the amount of rice imported during the fiscal year 1905 will show a great diminution, in view of the fact that the resumption of rice culture all over the islands is making very great strides. Rinderpest, which killed many of the animals necessary for cultivation, has been stayed in its course, and the importation of animals by the government and the processes of nature are rapidly making it possible for the agriculturists to resume their former occupations. The prospects for the crop of rice for the current year are remarkably good.

The details of all imports and exports by countries and months will be found in the annual report of the collector of customs for the Philippine Islands, more particularly in the Appendix A attached to his report, which is hereto annexed and marked "Exhibit 7."

DINGLEY TARIFF.

The customs duties imposed in the United States upon exports of the Philippine Islands are still 75 per cent of the Dingley tariff, which, in the case of sugar and tobacco products, is practically prohibitive. It is unnecessary to repeat the arguments which have been so often used to show the injustice of this treatment of the islands, and it is hoped and believed that the coming session of Congress will furnish material relief in this respect; anything, however, less than a reduction to 25 per cent of the Dingley tariff would furnish little relief to our people.

CHINESE REGISTRATION.

The registration of Chinese, in pursuance of section 4 of the act of Congress approved April 29, 1904, and act 702 of the Philippine Commission, was intrusted to the collector of customs for the Philippine Archipelago, and was carried through under his supervision. The total number of certificates issued was 49,659, approximately 60 per cent of which were issued in the Manila registration district.

These figures do not represent the number of Chinese in the islands, but only such as deemed themselves to be within the provisions of the law requiring registration. The expenses of registration were \$33,828.62 and the receipts from fees \$25,220, making a net cost of \$8,608.62.

INTERNAL REVENUE PRIOR TO THE ENACTMENT OF THE NEW LAW.

The duties of the acting collector of internal revenue prior to the 1st day of August, 1904, have been of minor importance. Aside from his special duties as city assessor and collector for the city of Manila, his jurisdiction was limited to unorganized provinces, and soon after the closing of the last fiscal year that portion of the island of Mindanao which had not been organized and the Jolo Archipelago were organized under the Moro provincial government act, and the administration of that territory for the purposes of internal revenue passed under the control of the government of that province. The details of the work of the acting collector of internal revenues are found in his special report, which is hereto annexed and marked "Exhibit 8," covering the period from September, 1903, to August 1, 1904.

THE NEW INTERNAL-REVENUE LAW.

It was stated in the last report from this office to the Commission that a new internal-revenue law had been prepared by Commissioner Ide and was in readiness for submission to the Commission, but that the Commission had not then had time to consider it. The new draft was printed and distributed among the business men of the islands and came up for public discussion early in April, 1904. Great objection to the law as drafted was manifested in the public discussions and in many of the newspapers published in Manila. Protests against its enactment were received from many parts of the islands.

The Commission discontinued public discussions in the middle of April and adjourned to Baguio and notified all parties in interest that they might file written arguments with the Commission until the 10th of May. Great numbers of written arguments were received, prepared by chambers of commerce, business men, merchants, and corporations, and by able counsel employed by them. These arguments continued to be received until the 1st of June and were all carefully read and considered in the daily sessions that were held for that purpose. The proposed law was then taken up section by section. The machinery providing for the collection of the tax was simplified and the rate of taxation proposed was reduced in nearly every case. The original draft had been upon the basis of presenting for the consideration of the Commission all persons, objects, and occupations that were subject to internal-revenue taxation in other countries, so that those that were least desirable might be eliminated, but leaving available for the Commission a complete working scheme for such as should be deemed suited for existing conditions. An income tax was not thought desirable, nor was a succession tax at this time considered useful. The tax on corporations, which is a most useful system of raising revenues in many States of the United States, was

not deemed suitable for a new country where capital is greatly needed for internal development and where new capital would be substantially all in the form of money paid into corporations. It was thought to be more desirable to encourage the introduction of capital than to raise such revenues as might be secured from a tax upon a corporation, purely as a corporation, for its franchise and right of existence. Corporation property is taxed in the same manner as property of individuals. The principal sources of revenue decided upon were certain license taxes, a tax on distilled spirits, fermented liquors, manufactured tobacco and snuff, cigars and cigarettes, matches, banks and bankers, stamp taxes on specified objects, a poll or cedula personal tax, tax on insurance companies, forestry products, valid perfected mining concessions granted prior to April 11, 1899, and on certain kinds of business, manufacture, and occupation. It was estimated that when the law was in full operation it would produce from 5,000,000 to 6,000,000 pesos annually, or somewhat less than was secured under the Spanish régime from the poll or cedula personal tax alone. The cedula tax, under the former régime, was exceedingly burdensome, particularly upon poor people, 5 pesos being the minimum. Under the internal-revenue law, as adopted, the tax was made 1 peso per year, the same rate that was in force before the passage of the new law, and applies only to male inhabitants over 18 and under 60 years of age. Members of the non-Christian tribes (unless otherwise provided by law), soldiers and sailors of the United States Army and Navy, civilian employees of the military branch of the United States Government in the Philippine Islands, consular and diplomatic representatives and officials of foreign powers in the Philippine Islands, paupers, insane persons, imbeciles, and persons serving a sentence of more than one year in a public prison are exempt from this tax.

The proposed tax on forestry products did not change the rate that had been previously established by the Commission.

The tax on perfected mining concessions granted prior to April 11, 1899, was not expected to realize any substantial revenue, but afforded a means of eliminating concessions that were not utilized but stood largely in the way of the location and development of new claims.

The draft as perfected by the Commission at Baguio was immediately printed and generally distributed, and public sessions were held until the 2d day of July, when the law was finally enacted. The public discussions indicated that the objections to the law had been largely removed by modifications that had been made, resulting from the prior public discussions and from the written arguments which had been submitted. The arguments presented at the public discussion were all practically of the same character, and were devoted to the details of the law and to further consideration of the rates of taxes proposed.

Further concessions in the interest of those affected by the proposed taxation were made as a result of the public discussions. The law as finally enacted, though distasteful to those affected by it, was, on the whole, as satisfactory, probably, as any reasonable scheme of internal revenue taxation that could have been devised would be. The act was numbered 1189, and was entitled "An act to provide revenue for the support of the insular, provincial, and municipal governments by

internal taxation." It provided for a bureau of internal revenue, appertaining to the department of finance and justice, under the superintendence of a collector of internal revenue, whose duty it was to prepare and distribute all necessary regulations, directions, and instructions, and to provide for needed forms, instruments, and implements for the purposes of the act, and to distribute adhesive stamps for use as stamp taxes.

Provision was made for the employment of such inspectors, revenue agents, internal revenue storekeepers, and internal revenue gaugers as might be required. Every provincial treasurer and his authorized deputies were authorized to act within their own provinces as collectors of internal revenue, subject to the general supervision of the collector of internal revenue for the Philippine Islands, and adequate penalties were provided for violations of law or for neglect of duty on the part of the internal revenue officials.

All taxes to be paid upon the manufacture or sale of distilled spirits, rectified or manufactured liquor, imitations of wine, fermented liquors, manufactured tobacco and snuff, cigars, cigarettes, and matches, and upon the execution of bonds, debentures, certificates of stock and indebtedness, or other documents, instruments, or papers, certificates, receipts, contracts, insurance bonds, tickets, and other written instruments of every kind which are subject to tax, and upon all acts, pursuits, and trades subject to taxation, aside from poll taxes, are required to be paid by the affixture of internal revenue stamps.

A wide departure, however, from the method employed in the United States in the use of internal-revenue stamps in connection with articles subject to taxation was made. The affixing of stamps to each package of cigarettes, each box of cigars, each box of matches, and each bottle or other receptacle of liquors was considered to be unduly burdensome and subject to serious objection on the ground of the liability to reuse of stamps by washing, whereby the revenue would be subject to great frauds and loss. Instead of that a system was adopted that had been found to be more useful in practice in Porto Rico, under its recently adopted internal-revenue law, whereby the taxes were to be paid upon the removal of any quantity of a manufactured article from its manufactory by affixing a stamp of the required denomination to the invoice of all goods removed at any one time, one part of which stamp should remain upon the stub of an invoice book and the other part upon the invoice of the merchandise removed, so that every stamp was, in fact, canceled or destroyed when the invoice was removed from its stub and the goods taken from the manufactory for the purpose of sale. This system has been found in Porto Rico and some other countries to be entirely feasible. It results in far less fraud than any other, and much greater convenience to the government and the public.

Goods removed from manufactories for the purpose of export are not subject to the tax, and provisions were made for the proper identification of such goods.

Provisions for the payment of license taxes are analogous to those in use in the United States.

The collector of internal revenue was authorized to enforce such regulations as might be prescribed by the secretary of finance and justice, to refund taxes erroneously received or penalties imposed

without authority, or taxes that appear to be unjustly assessed, or collections that are excessive in amount.

Authority was given for the compromise of civil and other cases arising under the provisions of the act, and for the imposition of fines administratively, but with the right of appeal to the courts.

The license taxes were made payable on the 1st of January of each year, or on the commencing of any trade or business on which a tax was imposed. Authority was given for payment quarterly instead of annually, if desired. License taxes imposed are as follows:

	Pesos.
On each retail liquor dealer.....	48
On each retail vino dealer.....	8
On each wholesale liquor dealer.....	200
On each retail dealer in fermented liquors.....	40
On each dealer in manufactured tobacco.....	8
On each manufacturer of tobacco.....	20
On each manufacturer of cigars or cigarettes.....	20

On each peddler of manufactured tobacco or distilled, manufactured, or fermented liquors, from 16 to 80 pesos, according to the character of the business.

It will be observed that these license taxes are very low, mainly much lower than similar taxes in the United States.

The tax on distilled spirits was based upon each liter of proof spirits and amounted to 20 centavos per liter, with an additional tax of 10 centavos if the spirits were used in the manufacture of artificial liquors by the addition of other ingredients, but on distilled spirits containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) in the proportion of 4 or more parts in 1,000, which may be removed from the distillery purely for manufacturing or industrial purposes, and not intended as beverages, the tax was made 10 centavos per liter of proof spirits unless the same were rectified so as to be fit for human consumption, in which case the tax was made 20 centavos per proof liter.

The tax upon beer, ale, porter, and other fermented liquors was made 4 centavos per liter.

The tax upon snuff manufactured of tobacco was made 32 centavos per kilogram.

On all chewing and smoking tobacco, fine-cut Cavendish, plug or twist, cut or granulated, of every description, the tax was 48 centavos per kilogram.

On cigars, 2 pesos on each 1,000 where the manufacturer's wholesale price was 20 pesos per 1,000 or less; 4 pesos when the price was 50 pesos per 1,000 or more than 20 pesos; 6 pesos where the manufacturer's price exceeds 50 pesos. On cigarettes weighing not more than 2 kilograms per 1,000, 67 centavos per 1,000; on cigarettes weighing more than 2 kilos per 1,000, 2 pesos per 1,000.

On matches, 40 centavos on each gross of boxes containing not more than 120 sticks to the box; on each gross of boxes containing over 120 sticks to the box, a proportional additional tax. The same tax was imposed upon matches imported from other countries for sale and consumption in the Philippine Islands. Imported matches are likewise subject to a customs duty, but matches can be manufactured in Japan and brought to the Philippine Islands at a materially less cost than they can be manufactured here. It was considered that the

customs duties and the imposition of an internal-revenue tax upon the imported article would leave the domestic product and the imported article substantially upon the same plane as at present, and that neither could drive the other out of the market and the public could get the benefit of the competition and the government secure adequate revenue.

There was imposed on banks and bankers one-eighteenth of 1 per cent each month on the average amount of deposits when the deposit was subject to payment by check or draft, and one twenty-fourth of 1 per cent upon capital employed in the islands by banks or bankers; but savings banks, provident institutions having no capital stock and which do no other business than to receive deposits to be invested for the sole benefit of the parties making such deposits, are exempt from taxation. A tax of one-twelfth of 1 per cent a month was imposed upon the average amount of circulation issued by any bank, association, corporation, company, or person engaged in the business of banking, including as circulation all notes and other obligations used as money, and an additional tax of 1 per cent per month upon the average amount of such circulation issued beyond the amount of paid-in capital of such bank or corporation. The heavy tax imposed upon bank notes issued as money in excess of paid-up capital would undoubtedly be very burdensome to any bank that should attempt to issue paper exceeding in amount its paid-up capital. In fact, such taxes might be prohibitive to the issuance of such money, unless rates of interest should be abnormally and unusually high, but it was considered that a special privilege of that kind ought not to be enjoyed without the payment of a liberal tax, and that it was very undesirable that any bank should be issuing bank notes as money in excess of its paid-up capital.

The Spanish-Filipino is the only bank at present affected by the taxation last referred to. It claims the right under its charter to issue bank notes to three times the amount of its paid-up capital, as stated earlier in this report.

Small stamp taxes are required on specified objects, such as bonds, debentures, stock certificates, transfers of shares, checks, drafts, bills of exchange, insurance policies, receipts for sums exceeding 30 pesos, warehouse receipts, bills of lading, tickets, licenses, mortgages, deeds, charter parties, etc.

A tax of 1 per cent was imposed on the total premiums received by insurance companies on business done in the islands, and one-third of 1 per cent quarterly upon sales by manufacturers and others, except such as are made by agriculturists of their own products, by exporters, manufacturers, and venders of alcoholic and fermented liquors, tobacco products, matches, or stores belonging to the insular government or the Government of the United States, and by small dealers generally.

Moderate annual license taxes are likewise required for pawn-brokers, real-estate brokers, customs brokers, stockbrokers, theaters, cockpits, circuses, billiard rooms, lawyers, photographers, veterinarians, race tracks, etc.

The law abolishes practically all the multifarious and minute exactions required under the Spanish régime and all internal-revenue taxation imposed by the military government of the United States in

the Philippine Islands or by the insular government. Thus hundreds of petty taxes are completely done away with and the whole process of collection greatly simplified. Substantially 75 per cent of all stamp license taxes imposed on distilled and fermented liquors, tobacco, snuff, cigars, cigarettes, matches, banks, bankers, insurance companies, forestry products, on valid and perfected mining concessions, business, manufactures, and occupations accrues to the insular treasury for general governmental purposes, 10 per cent to the provincial governments, and 15 per cent to the municipal governments; but of the 15 per cent set apart for the municipal governments, one-third must be utilized solely for the maintenance of free public primary schools. The taxes on theaters, museums, circuses, concert halls, pawnbrokers, cockpits, and billiard rooms accrue wholly to the municipality wherein the same are assessed and collected.

The proceeds of the poll or cedula personal tax accrue one-half to the province and the other half to the municipality wherein the same is collected.

It is believed that these provisions will materially strengthen the financial position of the provinces and municipalities and make it more feasible to maintain free public primary schools in all the municipalities and render more certain the payment of teachers and the cost of building schoolhouses and other expenses appertaining to the maintenance of public schools.

None of the tax provisions are operative before the 1st of January, 1905, except those on insurance companies, banks, manufacturers of matches, cigars, cigarettes, tobacco, snuff, fermented liquors, distilled and rectified spirits. The revenue from the taxes now in force will almost entirely accrue from the manufacture of tobacco, cigars, cigarettes, fermented and distilled liquors, and matches, all of which are articles of optional use and of such character that the consumer contributes as much or as little as he chooses toward the revenue, according to his desire for the articles consumed by him. If those articles are sold in the market at the prices which have heretofore prevailed, plus the amount of the internal-revenue tax, the consumer can still get three or four times as much for his money as can the consumer of like articles in the United States or Europe.

The tax on native liquor, in the form of anisado, ginebra, and vino, as ordinarily consumed in the islands, is less than 1 centavo or one-half cent a glass. On the great mass of cigars consumed in the islands the tax is at the rate of one-half cent for 5 cigars, and on cigarettes at the rate of one-half cent on each 15 cigarettes. The number of machine-made cigarettes manufactured and sold in the city of Manila during the month of August, the first month of the operation of the law, was 106,233,420. After the old stock of liquors and cigars, which were produced in excessive amounts during the two months before the law went into effect, is consumed it is believed that business in all those important industries will resume its normal course. It is apparent from the budget hereinafter stated that it would have been impossible for the insular government to have maintained itself during the coming year without the additional revenue accruing from this new and important legislation. It is hoped that the results will ultimately be so satisfactory as to enable

the government to reduce the rates of customs duties or to abolish the land tax in whole or in part.

In the preparation of the original draft of the internal-revenue law, and also in the perfection of the law as finally enacted, the services of Mr. John S. Hord have been of great value. Upon the taking effect of the law Mr. Hord was appointed collector of internal revenue and is now acting in that capacity. He has had extensive experience in the enactment and enforcement of the new internal-revenue system now in force in the island of Porto Rico as collector of internal revenue for that island, and was of much service in the institution of the new system there.

The results of the internal-revenue law in the city of Manila for the month of September, 1904, are now available and show that during that month there was collected in the city of Manila the sum of ₱183,124.12, an increase of over ₱77,000 over the month of August, or nearly 75 per cent. The output of tax-paid articles from the Manila manufactories during the two months is shown in the following table:

Output of tax-paid articles from Manila manufactories in 1904.

Articles.	August.	September.	Increase.
Distilled spirits, proof liters.....	41,248	61,838	17,590
Fermented liquors, gauge liters.....	196,885	214,824	17,939
Manufactured tobacco, kilograms.....	4,985	13,495	8,500
Cigars.....	1,941,754	3,195,305	1,150,551
Cigarettes.....	108,709,032	199,480,581	90,771,549
Matches, gross of boxes:			
Domestic.....	8,750	18,000	9,250
Imported.....	1,116	9,150	- 8,034

The report of the collector of internal revenue is hereto attached and marked "Exhibit 9."

THE TREASURY AND THE AUDITOR'S OFFICE.

No change has been made during the year in the administration of these two bureaus, in both of which efficiency has prevailed. During a considerable portion of the year the auditor, Mr. A. L. Lawshe, has been absent on a well-earned leave and the duties of the office have been performed by the deputy auditor, Mr. William W. Barre.

The formal report of the acting auditor has not yet been completed for the fiscal year 1904. When completed it will be forwarded as an annex to this report and marked "Exhibit 10."

The enormous difficulties that have confronted the auditor heretofore, owing to the fluctuating currency and the necessity of keeping accounts in often varying ratios, have been largely terminated by the general introduction of the new currency system.

The several amounts in the treasury at the end of the fiscal years 1901, 1902, 1903, and 1904 were as follows, stated in money of the United States, local currency being reduced to United States currency at the ratio existing on each of the dates:

June 30, 1901.....	\$6,222,912.78
June 30, 1902.....	5,995,006.49½
June 30, 1903.....	10,633,693.13
June 30, 1904.....	16,495,561.59

The several sums available for appropriation at the close of the fiscal years referred to are as follows, local currency being reduced on the basis above stated:

June 30, 1901-----	\$3, 919, 420. 00
June 30, 1902-----	3, 999, 426. 47
June 30, 1903-----	6, 849, 321. 28
June 30, 1904-----	10, 547, 606. 28

But of the sums stated as available for appropriation on the 30th day of June, 1904, \$10,817,906.04 appertained to the Congressional relief fund, the gold-standard fund, and the friar-land fund, so that of general funds nothing was available on the 30th day of June, 1904, and there was an actual deficit of \$270,299.76. The real sums available for appropriation from general funds may be stated in round numbers as follows:

At the end of the fiscal year 1901-----	\$3, 900, 000. 00
At the end of the fiscal year 1902-----	4, 000, 000. 00
At the end of the fiscal year 1903-----	2, 173, 000. 00
At the end of the fiscal year 1904, a deficit of-----	270, 299. 76

The surplus of substantially \$4,000,000 that existed June 30, 1902, has, in the two succeeding years, been all exhausted and a deficit of \$270,000 substituted therefor. This condition of the treasury is most unsatisfactory. It resulted from excessive appropriations during the two last preceding years and from a diminution in the customs receipts. It is believed that it ought to be the policy of the government to maintain a reasonable surplus to meet special emergencies. It is expected that at the next session of Congress authority will be given to the insular government to issue bonds to a limited amount for the purpose of paying for permanent improvements. Such legislation is indispensable for the security of the insular treasury. It is an almost unheard of thing for a young government to engage in extensive permanent improvements that will last for generations and attempt to pay for them entirely out of current revenues. Such a course cripples the whole government in its general administration and ought not longer to be continued.

If the large permanent improvements like that of the port of Manila and the construction of the Benguet road and the improvement of the harbors of Iloilo and Cebu and other important works had been paid for from a bond issue the deficit above stated would not have existed and the insular government would not be obliged to look forward to the coming fiscal year with anxiety. The insular treasury should be reimbursed out of the proceeds of the bonds referred to for some of the money expended during the last two years for these large and permanent improvements, so that the extreme economy that has become necessary in the educational and other bureaus may no longer be required, and the government may more completely and satisfactorily perform the high duties which it has assumed of fitting the Filipinos for self-government.

The total receipts and disbursements of the insular government during the fiscal year ending June 30, 1904, excluding refundable collections and disbursements, all receipts and disbursements relating to the gold-standard fund, and those on account of the Congressional relief appropriation and the friar-land bonds, but including in dis-

bursments interest paid on friar-land bonds, stated in United States currency, were as follows:

RECEIPTS.

Customs revenues, including Moro Province	\$8,685,014.76
Postal receipts	133,513.74
Board of health	10,416.54
Bureau of public lands	17,157.82
Bureau of government laboratories	21,284.24
Bureau of agriculture	4,518.43½
Philippine civil hospital	16,930.27½
Civil sanitarium, Benguet	3,511.01
Mining bureau	11.41
Signal service	58,461.97½
Bureau of prisons	65,756.55
Bureau of justice	99.00
Insular cold-storage and ice plant	307,544.68
Bureau of insular treasurer	20,511.93½
Notarial and judicial fees	75,718.60
Bureau of patents, copyrights, and trade-marks	6,304.18
Bureau of public printing	59,343.47½
Official Gazette	10,290.21
Interest on deposits	95,175.11½
Spanish seized funds covered into treasury	142,795.70
Unassigned service and miscellaneous items	9,195.48½
Cable concessions	30,419.94½

Total insular revenues 9,774,066.08

The item of Spanish seized funds is an extraordinary revenue, and should be deducted from the sum above stated to show the real revenue of the government, as follows:

Total insular revenues	\$9,774,066.08
Less Spanish seized funds	142,795.70

Total net revenues 9,631,270.38

In addition to the revenue above stated, refundable customs, internal revenue, and forestry dues were collected amounting to \$798,401.79.

The entire revenues for the city of Manila amounted to \$1,954,620.09, which, added to the above balance of insular revenues, makes the total net revenue of the insular government and the city of Manila \$11,585,890.47.

DISBURSEMENTS.

The total disbursements for the insular service for the fiscal year 1904, including items disbursed in that year on account of prior fiscal years, were as follows:

The executive	\$653,803.60
Department of the interior	1,042,594.31
Department of commerce and police	3,985,549.79
Department of finance and justice	1,592,345.25½
Department of public instruction	2,016,660.45½
Unassigned service	3,064,511.60½

Grand total 12,385,465.10½

The total disbursements for the city of Manila during the fiscal year 1904 on account of that year and prior years were \$2,685,595.41½,

making a grand total of \$15,071,060.52 disbursements for the insular government and the city of Manila for the fiscal year 1904.

Included in the insular disbursements were the following items that are in the character of permanent improvements and are in no sense a part of current expenses:

Construction of the leper colony at Cullion.....	\$10,705.84
For permanent improvements for the bureau of coast guard and transportation, including purchase of boats.....	702,421.57
For the bureau of architecture, public works.....	279,518.06
Benguet road.....	702,132.19
Improvement of the port of Manila.....	1,314,452.58
Calbayog pier.....	13,929.79
For the purchase of land in Malate.....	22,435.43
Purchase of Oriente Hotel.....	306,818.18
Total.....	3,352,413.64

There were also the following extraordinary disbursements made, which will not reappear in subsequent statements:

For the census bureau.....	\$59,663.71
For the St. Louis Exposition.....	525,783.04
Expenses of honorary commission to the United States.....	30,238.75
Expenses of the opium committee.....	10,400.79
Total.....	626,086.29

The final result, therefore, is as follows:

Total revenues of the insular government, including the city of Manila.....	\$11,585,890.47
Total disbursements for the insular government, including the city of Manila.....	15,071,060.52

There was an excess of expenditures over revenues during the fiscal year 1904 amounting to \$3,485,170.05.

During the year, however, there were repayments to the treasury amounting to \$2,274,023.66 from overappropriations during that or prior fiscal years, which sum should be deducted from the excess of expenditures over revenues above stated, leaving a total excess of expenditures over revenues during the fiscal year 1904 of \$2,432,510.87.

In this statement no repayments or reimbursable items are included which are not in the nature of revenue proper—that is, none are included which accrue only from reimbursable or revolving payments, like those of the insular purchasing agent.

CONGRESSIONAL RELIEF FUND.

The details of the expenditure of this fund do not appertain to this office.

At the close of the fiscal year 1904 the amount to the credit of the Congressional relief fund in the treasury amounted to \$1,232,895.99.

THE FRIAR LAND FUNDS.

The bonds, dated February 1, 1904, for the purchase of the friar lands, under the provisions of the act of Congress approved July 1, 1902, were sold on February 1, 1904, to the amount of \$7,000,000, and realized a premium of \$530,390, being sold at 107.577. The bonds

internal taxation." It provided for a bureau of internal revenue, appertaining to the department of finance and justice, under the superintendence of a collector of internal revenue, whose duty it was to prepare and distribute all necessary regulations, directions, and instructions, and to provide for needed forms, instruments, and implements for the purposes of the act, and to distribute adhesive stamps for use as stamp taxes.

Provision was made for the employment of such inspectors, revenue agents, internal revenue storekeepers, and internal revenue gaugers as might be required. Every provincial treasurer and his authorized deputies were authorized to act within their own provinces as collectors of internal revenue, subject to the general supervision of the collector of internal revenue for the Philippine Islands, and adequate penalties were provided for violations of law or for neglect of duty on the part of the internal revenue officials.

All taxes to be paid upon the manufacture or sale of distilled spirits, rectified or manufactured liquor, imitations of wine, fermented liquors, manufactured tobacco and snuff, cigars, cigarettes, and matches, and upon the execution of bonds, debentures, certificates of stock and indebtedness, or other documents, instruments, or papers, certificates, receipts, contracts, insurance bonds, tickets, and other written instruments of every kind which are subject to tax, and upon all acts, pursuits, and trades subject to taxation, aside from poll taxes, are required to be paid by the affixture of internal revenue stamps.

A wide departure, however, from the method employed in the United States in the use of internal-revenue stamps in connection with articles subject to taxation was made. The affixing of stamps to each package of cigarettes, each box of cigars, each box of matches, and each bottle or other receptacle of liquors was considered to be unduly burdensome and subject to serious objection on the ground of the liability to reuse of stamps by washing, whereby the revenue would be subject to great frauds and loss. Instead of that a system was adopted that had been found to be more useful in practice in Porto Rico, under its recently adopted internal-revenue law, whereby the taxes were to be paid upon the removal of any quantity of a manufactured article from its manufactory by affixing a stamp of the required denomination to the invoice of all goods removed at any one

without authority, or taxes that appear to be unjustly assessed, or collections that are excessive in amount.

Authority was given for the compromise of civil and other cases arising under the provisions of the act, and for the imposition of fines administratively, but with the right of appeal to the courts.

The license taxes were made payable on the 1st of January of each year, or on the commencing of any trade or business on which a tax was imposed. Authority was given for payment quarterly instead of annually, if desired. License taxes imposed are as follows:

	Pesos.
On each retail liquor dealer.....	48
On each retail vino dealer.....	8
On each wholesale liquor dealer.....	200
On each retail dealer in fermented liquors.....	40
On each dealer in manufactured tobacco.....	8
On each manufacturer of tobacco.....	20
On each manufacturer of cigars or cigarettes.....	20

On each peddler of manufactured tobacco or distilled, manufactured, or fermented liquors, from 16 to 80 pesos, according to the character of the business.

It will be observed that these license taxes are very low, mainly much lower than similar taxes in the United States.

The tax on distilled spirits was based upon each liter of proof spirits and amounted to 20 centavos per liter, with an additional tax of 10 centavos if the spirits were used in the manufacture of artificial liquors by the addition of other ingredients, but on distilled spirits containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) in the proportion of 4 or more parts in 1,000, which may be removed from the distillery purely for manufacturing or industrial purposes, and not intended as beverages, the tax was made 10 centavos per liter of proof spirits unless the same were rectified so as to be fit for human consumption, in which case the tax was made 20 centavos per proof liter.

The tax upon beer, ale, porter, and other fermented liquors was made 4 centavos per liter.

The tax upon snuff manufactured of tobacco was made 32 centavos per kilogram.

On all chewing and smoking tobacco, fine-cut Cavendish, plug or twist, cut or granulated, of every description, the tax was 48 centavos per kilogram.

On cigars, 2 pesos on each 1,000 where the manufacturer's wholesale price was 20 pesos per 1,000 or less; 4 pesos when the price was 50 pesos per 1,000 or more than 20 pesos; 6 pesos where the manufacturer's price exceeds 50 pesos. On cigarettes weighing not more than 2 kilograms per 1,000, 67 centavos per 1,000; on cigarettes weighing more than 2 kilos per 1,000, 2 pesos per 1,000.

On matches, 40 centavos on each gross of boxes containing not more than 120 sticks to the box; on each gross of boxes containing over 120 sticks to the box, a proportional additional tax. The same tax was imposed upon matches imported from other countries for sale and consumption in the Philippine Islands. Imported matches are likewise subject to a customs duty, but matches can be manufactured in Japan and brought to the Philippine Islands at a materially less cost than they can be manufactured here. It was considered that the

These figures do not represent the number of Chinese in the islands, but only such as deemed themselves to be within the provisions of the law requiring registration. The expenses of registration were \$33,828.62 and the receipts from fees \$25,220, making a net cost of \$8,608.62.

INTERNAL REVENUE PRIOR TO THE ENACTMENT OF THE NEW LAW.

The duties of the acting collector of internal revenue prior to the 1st day of August, 1904, have been of minor importance. Aside from his special duties as city assessor and collector for the city of Manila, his jurisdiction was limited to unorganized provinces, and soon after the closing of the last fiscal year that portion of the island of Mindanao which had not been organized and the Jolo Archipelago were organized under the Moro provincial government act, and the administration of that territory for the purposes of internal revenue passed under the control of the government of that province. The details of the work of the acting collector of internal revenues are found in his special report, which is hereto annexed and marked "Exhibit 8," covering the period from September, 1903, to August 1, 1904.

THE NEW INTERNAL-REVENUE LAW.

It was stated in the last report from this office to the Commission that a new internal-revenue law had been prepared by Commissioner Ide and was in readiness for submission to the Commission, but that the Commission had not then had time to consider it. The new draft was printed and distributed among the business men of the islands and came up for public discussion early in April, 1904. Great objection to the law as drafted was manifested in the public discussions and in many of the newspapers published in Manila. Protests against its enactment were received from many parts of the islands.

The Commission discontinued public discussions in the middle of April and adjourned to Baguio and notified all parties in interest that they might file written arguments with the Commission until the 10th of May. Great numbers of written arguments were received, prepared by chambers of commerce, business men, merchants, and corporations, and by able counsel employed by them. These arguments continued to be received until the 1st of June and were all carefully read and considered in the daily session: that were held for that purpose. The proposed law was then taken up section by section. The machinery providing for the collection of the tax was simplified and the rate of taxation proposed was reduced in nearly every case. The original draft had been upon the basis of presenting for the consideration of the Commission all persons, objects, and occupations that were subject to internal-revenue taxation in other countries, so that those that were least desirable might be eliminated, but leaving available for the Commission a complete working scheme for such as should be deemed suited for existing conditions. An income tax was not thought desirable, nor was a succession tax at this time considered useful. The tax on corporations, which is a most useful system of raising revenues in many States of the United States, was

not deemed suitable for a new country where capital is greatly needed for internal development and where new capital would be substantially all in the form of money paid into corporations. It was thought to be more desirable to encourage the introduction of capital than to raise such revenues as might be secured from a tax upon a corporation, purely as a corporation, for its franchise and right of existence. Corporation property is taxed in the same manner as property of individuals. The principal sources of revenue decided upon were certain license taxes, a tax on distilled spirits, fermented liquors, manufactured tobacco and snuff, cigars and cigarettes, matches, banks and bankers, stamp taxes on specified objects, a poll or cedula personal tax, tax on insurance companies, forestry products, valid perfected mining concessions granted prior to April 11, 1899, and on certain kinds of business, manufacture, and occupation. It was estimated that when the law was in full operation it would produce from 5,000,000 to 6,000,000 pesos annually, or somewhat less than was secured under the Spanish régime from the poll or cedula personal tax alone. The cedula tax, under the former régime, was exceedingly burdensome, particularly upon poor people, 5 pesos being the minimum. Under the internal-revenue law, as adopted, the tax was made 1 peso per year, the same rate that was in force before the passage of the new law, and applies only to male inhabitants over 18 and under 60 years of age. Members of the non-Christian tribes (unless otherwise provided by law), soldiers and sailors of the United States Army and Navy, civilian employees of the military branch of the United States Government in the Philippine Islands, consular and diplomatic representatives and officials of foreign powers in the Philippine Islands, paupers, insane persons, imbeciles, and persons serving a sentence of more than one year in a public prison are exempt from this tax.

The proposed tax on forestry products did not change the rate that had been previously established by the Commission.

The tax on perfected mining concessions granted prior to April 11, 1899, was not expected to realize any substantial revenue, but afforded a means of eliminating concessions that were not utilized but stood largely in the way of the location and development of new claims.

The draft as perfected by the Commission at Baguio was immediately printed and generally distributed, and public sessions were held until the 2d day of July, when the law was finally enacted. The public discussions indicated that the objections to the law had been largely removed by modifications that had been made, resulting from the prior public discussions and from the written arguments which had been submitted. The arguments presented at the public discussion were all practically of the same character, and were devoted to the details of the law and to further consideration of the rates of taxes proposed.

Further concessions in the interest of those affected by the proposed taxation were made as a result of the public discussions. The law as finally enacted, though distasteful to those affected by it, was, on the whole, as satisfactory, probably, as any reasonable scheme of internal revenue taxation that could have been devised would be. The act was numbered 1189, and was entitled "An act to provide revenue for the support of the insular, provincial, and municipal governments by

internal taxation." It provided for a bureau of internal revenue, appertaining to the department of finance and justice, under the superintendence of a collector of internal revenue, whose duty it was to prepare and distribute all necessary regulations, directions, and instructions, and to provide for needed forms, instruments, and implements for the purposes of the act, and to distribute adhesive stamps for use as stamp taxes.

Provision was made for the employment of such inspectors, revenue agents, internal revenue storekeepers, and internal revenue gaugers as might be required. Every provincial treasurer and his authorized deputies were authorized to act within their own provinces as collectors of internal revenue, subject to the general supervision of the collector of internal revenue for the Philippine Islands, and adequate penalties were provided for violations of law or for neglect of duty on the part of the internal revenue officials.

All taxes to be paid upon the manufacture or sale of distilled spirits, rectified or manufactured liquor, imitations of wine, fermented liquors, manufactured tobacco and snuff, cigars, cigarettes, and matches, and upon the execution of bonds, debentures, certificates of stock and indebtedness, or other documents, instruments, or papers, certificates, receipts, contracts, insurance bonds, tickets, and other written instruments of every kind which are subject to tax, and upon all acts, pursuits, and trades subject to taxation, aside from poll taxes, are required to be paid by the affixture of internal revenue stamps.

A wide departure, however, from the method employed in the United States in the use of internal-revenue stamps in connection with articles subject to taxation was made. The affixing of stamps to each package of cigarettes, each box of cigars, each box of matches, and each bottle or other receptacle of liquors was considered to be unduly burdensome and subject to serious objection on the ground of the liability to reuse of stamps by washing, whereby the revenue would be subject to great frauds and loss. Instead of that a system was adopted that had been found to be more useful in practice in Porto Rico, under its recently adopted internal-revenue law, whereby the taxes were to be paid upon the removal of any quantity of a manufactured article from its manufactory by affixing a stamp of the required denomination to the invoice of all goods removed at any one time, one part of which stamp should remain upon the stub of an invoice book and the other part upon the invoice of the merchandise removed, so that every stamp was, in fact, canceled or destroyed when the invoice was removed from its stub and the goods taken from the manufactory for the purpose of sale. This system has been found in Porto Rico and some other countries to be entirely feasible. It results in far less fraud than any other, and much greater convenience to the government and the public.

Goods removed from manufactories for the purpose of export are not subject to the tax, and provisions were made for the proper identification of such goods.

Provisions for the payment of license taxes are analogous to those in use in the United States.

The collector of internal revenue was authorized to enforce such regulations as might be prescribed by the secretary of finance and justice, to refund taxes erroneously received or penalties imposed

without authority, or taxes that appear to be unjustly assessed, or collections that are excessive in amount.

Authority was given for the compromise of civil and other cases arising under the provisions of the act, and for the imposition of fines administratively, but with the right of appeal to the courts.

The license taxes were made payable on the 1st of January of each year, or on the commencing of any trade or business on which a tax was imposed. Authority was given for payment quarterly instead of annually, if desired. License taxes imposed are as follows:

	Pesos.
On each retail liquor dealer.....	48
On each retail vino dealer.....	8
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On each dealer in manufactured tobacco.....	8
On each manufacturer of tobacco.....	20
On each manufacturer of cigars or cigarettes.....	20

On each peddler of manufactured tobacco or distilled, manufactured, or fermented liquors, from 16 to 80 pesos, according to the character of the business.

It will be observed that these license taxes are very low, mainly much lower than similar taxes in the United States.

The tax on distilled spirits was based upon each liter of proof spirits and amounted to 20 centavos per liter, with an additional tax of 10 centavos if the spirits were used in the manufacture of artificial liquors by the addition of other ingredients, but on distilled spirits containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) in the proportion of 4 or more parts in 1,000, which may be removed from the distillery purely for manufacturing or industrial purposes, and not intended as beverages, the tax was made 10 centavos per liter of proof spirits unless the same were rectified so as to be fit for human consumption, in which case the tax was made 20 centavos per proof liter.

The tax upon beer, ale, porter, and other fermented liquors was made 4 centavos per liter.

The tax upon snuff manufactured of tobacco was made 32 centavos per kilogram.

On all chewing and smoking tobacco, fine-cut Cavendish, plug or twist, cut or granulated, of every description, the tax was 48 centavos per kilogram.

On cigars, 2 pesos on each 1,000 where the manufacturer's wholesale price was 20 pesos per 1,000 or less; 4 pesos when the price was 50 pesos per 1,000 or more than 20 pesos; 6 pesos where the manufacturer's price exceeds 50 pesos. On cigarettes weighing not more than 2 kilograms per 1,000, 67 centavos per 1,000; on cigarettes weighing more than 2 kilos per 1,000, 2 pesos per 1,000.

On matches, 40 centavos on each gross of boxes containing not more than 120 sticks to the box; on each gross of boxes containing over 120 sticks to the box, a proportional additional tax. The same tax was imposed upon matches imported from other countries for sale and consumption in the Philippine Islands. Imported matches are likewise subject to a customs duty, but matches can be manufactured in Japan and brought to the Philippine Islands at a materially less cost than they can be manufactured here. It was considered that the

customs duties and the imposition of an internal-revenue tax upon the imported article would leave the domestic product and the imported article substantially upon the same plane as at present, and that neither could drive the other out of the market and the public could get the benefit of the competition and the government secure adequate revenue.

There was imposed on banks and bankers one-eighteenth of 1 per cent each month on the average amount of deposits when the deposit was subject to payment by check or draft, and one twenty-fourth of 1 per cent upon capital employed in the islands by banks or bankers; but savings banks, provident institutions having no capital stock and which do no other business than to receive deposits to be invested for the sole benefit of the parties making such deposits, are exempt from taxation. A tax of one-twelfth of 1 per cent a month was imposed upon the average amount of circulation issued by any bank, association, corporation, company, or person engaged in the business of banking, including as circulation all notes and other obligations used as money, and an additional tax of 1 per cent per month upon the average amount of such circulation issued beyond the amount of paid-in capital of such bank or corporation. The heavy tax imposed upon bank notes issued as money in excess of paid-up capital would undoubtedly be very burdensome to any bank that should attempt to issue paper exceeding in amount its paid-up capital. In fact, such taxes might be prohibitive to the issuance of such money, unless rates of interest should be abnormally and unusually high, but it was considered that a special privilege of that kind ought not to be enjoyed without the payment of a liberal tax, and that it was very undesirable that any bank should be issuing bank notes as money in excess of its paid-up capital.

The Spanish-Filipino is the only bank at present affected by the taxation last referred to. It claims the right under its charter to issue bank notes to three times the amount of its paid-up capital, as stated earlier in this report.

Small stamp taxes are required on specified objects, such as bonds, debentures, stock certificates, transfers of shares, checks, drafts, bills of exchange, insurance policies, receipts for sums exceeding 30 pesos, warehouse receipts, bills of lading, tickets, licenses, mortgages, deeds, charter parties, etc.

A tax of 1 per cent was imposed on the total premiums received by insurance companies on business done in the islands, and one-third of 1 per cent quarterly upon sales by manufacturers and others, except such as are made by agriculturists of their own products, by exporters, manufacturers, and venders of alcoholic and fermented liquors, tobacco products, matches, or stores belonging to the insular government or the Government of the United States, and by small dealers generally.

Moderate annual license taxes are likewise required for pawn-brokers, real-estate brokers, customs brokers, stockbrokers, theaters, cockpits, circuses, billiard rooms, lawyers, photographers, veterinarians, race tracks, etc.

The law abolishes practically all the multifarious and minute exactions required under the Spanish régime and all internal-revenue taxation imposed by the military government of the United States in

the Philippine Islands or by the insular government. Thus hundreds of petty taxes are completely done away with and the whole process of collection greatly simplified. Substantially 75 per cent of all stamp license taxes imposed on distilled and fermented liquors, tobacco, snuff, cigars, cigarettes, matches, banks, bankers, insurance companies, forestry products, on valid and perfected mining concessions, business, manufactures, and occupations accrues to the insular treasury for general governmental purposes, 10 per cent to the provincial governments, and 15 per cent to the municipal governments; but of the 15 per cent set apart for the municipal governments, one-third must be utilized solely for the maintenance of free public primary schools. The taxes on theaters, museums, circuses, concert halls, pawnbrokers, cockpits, and billiard rooms accrue wholly to the municipality wherein the same are assessed and collected.

The proceeds of the poll or cedula personal tax accrue one-half to the province and the other half to the municipality wherein the same is collected.

It is believed that these provisions will materially strengthen the financial position of the provinces and municipalities and make it more feasible to maintain free public primary schools in all the municipalities and render more certain the payment of teachers and the cost of building schoolhouses and other expenses appertaining to the maintenance of public schools.

None of the tax provisions are operative before the 1st of January, 1905, except those on insurance companies, banks, manufacturers of matches, cigars, cigarettes, tobacco, snuff, fermented liquors, distilled and rectified spirits. The revenue from the taxes now in force will almost entirely accrue from the manufacture of tobacco, cigars, cigarettes, fermented and distilled liquors, and matches, all of which are articles of optional use and of such character that the consumer contributes as much or as little as he chooses toward the revenue, according to his desire for the articles consumed by him. If those articles are sold in the market at the prices which have heretofore prevailed, plus the amount of the internal-revenue tax, the consumer can still get three or four times as much for his money as can the consumer of like articles in the United States or Europe.

The tax on native liquor, in the form of anisado, ginebra, and vino, as ordinarily consumed in the islands, is less than 1 centavo or one-half cent a glass. On the great mass of cigars consumed in the islands the tax is at the rate of one-half cent for 5 cigars, and on cigarettes at the rate of one-half cent on each 15 cigarettes. The number of machine-made cigarettes manufactured and sold in the city of Manila during the month of August, the first month of the operation of the law, was 106,233,420. After the old stock of liquors and cigars, which were produced in excessive amounts during the two months before the law went into effect, is consumed it is believed that business in all those important industries will resume its normal course. It is apparent from the budget hereinafter stated that it would have been impossible for the insular government to have maintained itself during the coming year without the additional revenue accruing from this new and important legislation. It is hoped that the results will ultimately be so satisfactory as to enable

the government to reduce the rates of customs duties or to abolish the land tax in whole or in part.

In the preparation of the original draft of the internal-revenue law, and also in the perfection of the law as finally enacted, the services of Mr. John S. Hord have been of great value. Upon the taking effect of the law Mr. Hord was appointed collector of internal revenue and is now acting in that capacity. He has had extensive experience in the enactment and enforcement of the new internal-revenue system now in force in the island of Porto Rico as collector of internal revenue for that island, and was of much service in the institution of the new system there.

The results of the internal-revenue law in the city of Manila for the month of September, 1904, are now available and show that during that month there was collected in the city of Manila the sum of ₱183,124.12, an increase of over ₱77,000 over the month of August, or nearly 75 per cent. The output of tax-paid articles from the Manila manufactories during the two months is shown in the following table:

Output of tax-paid articles from Manila manufactories in 1904.

Articles.	August.	September.	Increase.
Distilled spirits, proof liters	44,248	61,838	17,590
Fermented liquors, gauge liters	196,885	214,824	17,939
Manufactured tobacco, kilograms	4,985	13,495	8,510
Cigars	1,944,754	3,195,305	1,150,551
Cigarettes	108,709,032	199,489,581	90,771,549
Matches, gross of boxes:			
Domestic	8,750	18,000	9,250
Imported	1,116	9,150	8,034

The report of the collector of internal revenue is hereto attached and marked "Exhibit 9."

THE TREASURY AND THE AUDITOR'S OFFICE.

No change has been made during the year in the administration of these two bureaus, in both of which efficiency has prevailed. During a considerable portion of the year the auditor, Mr. A. L. Lawshe, has been absent on a well-earned leave and the duties of the office have been performed by the deputy auditor, Mr. William W. Barre.

The formal report of the acting auditor has not yet been completed for the fiscal year 1904. When completed it will be forwarded as an annex to this report and marked "Exhibit 10."

The enormous difficulties that have confronted the auditor heretofore, owing to the fluctuating currency and the necessity of keeping accounts in often varying ratios, have been largely terminated by the general introduction of the new currency system.

The several amounts in the treasury at the end of the fiscal years 1901, 1902, 1903, and 1904 were as follows, stated in money of the United States, local currency being reduced to United States currency at the ratio existing on each of the dates:

June 30, 1901.....	\$6,222,912.78
June 30, 1902.....	5,995,006.49½
June 30, 1903.....	10,633,693.13
June 30, 1904.....	16,495,561.69

The several sums available for appropriation at the close of the fiscal years referred to are as follows, local currency being reduced on the basis above stated:

June 30, 1901-----	\$3, 919, 420. 00
June 30, 1902-----	3, 999, 426. 47
June 30, 1903-----	6, 849, 321. 28
June 30, 1904-----	10, 547, 606. 28

But of the sums stated as available for appropriation on the 30th day of June, 1904, \$10,817,906.04 appertained to the Congressional relief fund, the gold-standard fund, and the friar-land fund, so that of general funds nothing was available on the 30th day of June, 1904, and there was an actual deficit of \$270,299.76. The real sums available for appropriation from general funds may be stated in round numbers as follows:

At the end of the fiscal year 1901-----	\$3, 900, 000. 00
At the end of the fiscal year 1902-----	4, 000, 000. 00
At the end of the fiscal year 1903-----	2, 173, 000. 00
At the end of the fiscal year 1904, a deficit of-----	270, 299. 76

The surplus of substantially \$4,000,000 that existed June 30, 1902, has, in the two succeeding years, been all exhausted and a deficit of \$270,000 substituted therefor. This condition of the treasury is most unsatisfactory. It resulted from excessive appropriations during the two last preceding years and from a diminution in the customs receipts. It is believed that it ought to be the policy of the government to maintain a reasonable surplus to meet special emergencies. It is expected that at the next session of Congress authority will be given to the insular government to issue bonds to a limited amount for the purpose of paying for permanent improvements. Such legislation is indispensable for the security of the insular treasury. It is an almost unheard of thing for a young government to engage in extensive permanent improvements that will last for generations and attempt to pay for them entirely out of current revenues. Such a course cripples the whole government in its general administration and ought not longer to be continued.

If the large permanent improvements like that of the port of Manila and the construction of the Benguet road and the improvement of the harbors of Iloilo and Cebu and other important works had been paid for from a bond issue the deficit above stated would not have existed and the insular government would not be obliged to look forward to the coming fiscal year with anxiety. The insular treasury should be reimbursed out of the proceeds of the bonds referred to for some of the money expended during the last two years for these large and permanent improvements, so that the extreme economy that has become necessary in the educational and other bureaus may no longer be required, and the government may more completely and satisfactorily perform the high duties which it has assumed of fitting the Filipinos for self-government.

The total receipts and disbursements of the insular government during the fiscal year ending June 30, 1904, excluding refundable collections and disbursements, all receipts and disbursements relating to the gold-standard fund, and those on account of the Congressional relief appropriation and the friar-land bonds, but including in dis-

bursements interest paid on friar-land bonds, stated in United States currency, were as follows:

RECEIPTS.

Customs revenues, including Moro Province	\$8, 685, 014. 76
Postal receipts	133, 513. 74
Board of health	10, 416. 54
Bureau of public lands	17, 157. 82
Bureau of government laboratories	21, 284. 24
Bureau of agriculture	4, 518. 43½
Philippine civil hospital	16, 930. 27½
Civil sanitarium, Benguet	3, 511. 01
Mining bureau	11. 41
Signal service	58, 461. 97½
Bureau of prisons	65, 786. 55
Bureau of justice	93. 00
Insular cold-storage and ice plant	307, 544. 68
Bureau of insular treasurer	20, 511. 93½
Notarial and judicial fees	75, 718. 60
Bureau of patents, copyrights, and trade-marks	6, 364. 18
Bureau of public printing	59, 343. 47½
Official Gazette	10, 290. 21
Interest on deposits	95, 175. 11½
Spanish seized funds covered into treasury	142, 795. 70
Unassigned service and miscellaneous items	9, 195. 48½
Cable concessions	30, 416. 94½

Total insular revenues	9, 774, 066. 08
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The item of Spanish seized funds is an extraordinary revenue, and should be deducted from the sum above stated to show the real revenue of the government, as follows:

Total insular revenues	\$9, 774, 066. 08
Less Spanish seized funds	142, 795. 70

Total net revenues	9, 631, 270. 38
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In addition to the revenue above stated, refundable customs, internal revenue, and forestry dues were collected amounting to \$798,401.79.

The entire revenues for the city of Manila amounted to \$1,954,620.09, which, added to the above balance of insular revenues, makes the total net revenue of the insular government and the city of Manila \$11,585,890.47.

DISBURSEMENTS.

The total disbursements for the insular service for the fiscal year 1904, including items disbursed in that year on account of prior fiscal years, were as follows:

The executive	\$683, 803. 60
Department of the interior	1, 042, 594. 31
Department of commerce and police	3, 985, 549. 70
Department of finance and justice	1, 592, 345. 25½
Department of public instruction	2, 016, 660. 45½
Unassigned service	3, 064, 511. 69½

Grand total	12, 385, 465. 10½
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The total disbursements for the city of Manila during the fiscal year 1904 on account of that year and prior years were \$2,685,595.41½,

making a grand total of \$15,071,060.52 disbursements for the insular government and the city of Manila for the fiscal year 1904.

Included in the insular disbursements were the following items that are in the character of permanent improvements and are in no sense a part of current expenses:

Construction of the leper colony at Culion.....	\$10,705.84
For permanent improvements for the bureau of coast guard and transportation, including purchase of boats.....	702,421.57
For the bureau of architecture, public works.....	279,518.06
Benguet road.....	702,132.19
Improvement of the port of Manila.....	1,314,452.58
Calbayog pier.....	13,929.79
For the purchase of land in Malate.....	22,435.43
Purchase of Oriente Hotel.....	306,818.18
Total.....	3,352,413.64

There were also the following extraordinary disbursements made, which will not reappear in subsequent statements:

For the census bureau.....	\$59,663.71
For the St. Louis Exposition.....	525,783.04
Expenses of honorary commission to the United States.....	30,238.75
Expenses of the opium committee.....	10,400.79
Total.....	626,086.29

The final result, therefore, is as follows:

Total revenues of the insular government, including the city of Manila.....	\$11,585,890.47
Total disbursements for the insular government, including the city of Manila.....	15,071,060.52

There was an excess of expenditures over revenues during the fiscal year 1904 amounting to \$3,485,170.05.

During the year, however, there were repayments to the treasury amounting to \$2,274,023.66 from overappropriations during that or prior fiscal years, which sum should be deducted from the excess of expenditures over revenues above stated, leaving a total excess of expenditures over revenues during the fiscal year 1904 of \$2,432,510.87.

In this statement no repayments or reimbursable items are included which are not in the nature of revenue proper—that is, none are included which accrue only from reimbursable or revolving payments, like those of the insular purchasing agent.

CONGRESSIONAL RELIEF FUND.

The details of the expenditure of this fund do not appertain to this office.

At the close of the fiscal year 1904 the amount to the credit of the Congressional relief fund in the treasury amounted to \$1,232,895.99.

THE FRIAR LAND FUNDS.

The bonds, dated February 1, 1904, for the purchase of the friar lands, under the provisions of the act of Congress approved July 1, 1902, were sold on February 1, 1904, to the amount of \$7,000,000, and realized a premium of \$530,390, being sold at 107.577. The bonds

bear 4 per cent interest and are payable in thirty years from February 1, 1904, with the option on the part of the government to redeem them in ten years.

At the close of the fiscal year 1904 no payments had been made from these funds and the money remained on deposit with the official depositories of the insular treasury, the amount to the credit of the treasury on that date being \$7,530,390.

THE INSULAR BUDGET.

It was stated in the last previous report from this office that it had become practicable to pass regular appropriation bills only twice a year, instead of four times, as formerly. The bureaus having been substantially all organized, it was deemed feasible to pass an annual appropriation bill, and such course has been adopted for the fiscal year 1905. The insular appropriation bills for the fiscal year 1905 have been enacted, both for the regular service and for permanent improvements. The same course has also been taken with reference to the city of Manila. Eight million two hundred and sixty-two thousand four hundred and seventy dollars and eighty cents have been appropriated for the regular service of the insular government for the fiscal year 1905. By other acts, passed since the 30th day of June, 1904, either for permanent improvements, deficiencies, or for special uses, the following sums have been appropriated down to the 20th of October, 1904:

By Act No. 1194: For general purposes, to be disbursed by disbursing agent of the insular government at Washington, D. C.	\$25,000. 00
By Act No. 1201: For continuing Philippine exhibit at the Louisiana Purchase Exposition.....	150,000. 00
By Act No. 1203: For second quarterly interest upon friar land bonds.....	70,000. 00
By Act No. 1227: For general purposes, to be disbursed by disbursing agent of the insular government at Washington, D. C.	25,000. 00
By Act No. 1247: For the payment of the third quarterly interest upon friar land bonds.....	70,000. 00
By Act No. 1246: Public works and permanent improvements....	1,252,747. 37½
By Act No. 1248: Deficiency appropriation bill, fiscal year 1904.	67,955. 77
Total	9,923,178. 94½

For the city of Manila for the fiscal year 1905 there has been appropriated out of the insular treasury:

By Act No. 1213: For sundry expenses of the city of Manila during the fiscal year 1904.....	\$6,368. 76½
By Act No. 1216: For general purposes of the city.....	2,025,000. 00
By Act No. 1222: For permanent improvements.....	265,000. 00
Total	2,296,368. 76½

This sum, added to the total appropriations for the insular government as above stated, makes a total of appropriations for the fiscal year of \$12,219,542.71 for the insular government and the city of Manila.

It is believed that further appropriations for the city of Manila will not be necessary to any appreciable extent during the fiscal year. Doubtless some deficiency appropriations may have to be made for the general insular service. Appropriations that have already been

made for the improvement of the port of Manila and for the construction of the Benguet road are expected to be sufficient to carry on those works until the 1st of January, 1905. It is probable that there must also be appropriated during the fiscal year \$100,000 additional for the completion of the work on the Benguet road, and \$754,000 for the fulfillment of the contract for the improvement of the port of Manila, and an appropriation for interest on friar land bonds, \$140,000.

The appropriations necessary for the fiscal year may therefore be summarized as follows:

Already appropriated: For the insular service for permanent improvements-----	\$9,923,173.64½
To be appropriated:	
For the Benguet road-----	100,000.00
For permanent improvement of the harbor of the port of Manila -----	754,000.00
For interest on friar land bonds-----	140,000.00
Total appropriations for the insular government for the fiscal year 1905-----	10,917,173.64½
Total appropriations for the city of Manila for the fiscal year 1905 -----	2,296,368.76½
Total appropriations for the insular government and for the city of Manila for the fiscal year 1905-----	13,213,542.71

Included in the general appropriations are disbursements for the provinces of Paragua, Zambales, Nueva Vizcaya, Benguet, and Lepanto-Bontoc, which are supported in a large part from insular revenues.

Included in the foregoing statement are the following sums that are deemed to be for permanent insular improvements:

Bureau of architecture and construction of public buildings:	
Bureau of coast guard and transportation, machine shop on Engineer Island-----	P 11,087.00
Bureau of government laboratories-----	57,929.08
Bureau of insular purchasing agent-----	3,500.00
Bureau of Philippines Constabulary-----	20,000.00
Bilibid prison-----	14,828.00
Civil sanitarium and cottages, Baguio, Benguet-----	51,680.00
Bureau of coast guard and transportation, light-house service -----	117,000.00
General improvements of Engineer Island-----	21,000.00
Construction and equipments of marine railway and machine shops on Engineer Island-----	185,000.00
Bureau of Philippines Constabulary, telegraph and telephone service -----	34,500.00
Bureau of prisons for installation of electric light and power -----	15,000.00
Benguet road -----	715,000.00
Improvement of the port of Manila-----	1,200,000.00
Timber wharf, harbor of Cebu-----	6,470.00
Purchase of land in Ermita-----	40,000.00
Total -----	2,492,994.08

In the appropriation for the city of Manila the sum of \$265,000 for permanent improvements is also included.

The receipts for the insular government during the fiscal year, of course, are, to a considerable degree, matters of estimate. The internal-revenue law is yet in its experimental stage.

The total deposit of revenues for the months of July, August, and September, 1904, amounted to \$2,161,611, not including deposits on account of collections in the city of Manila or from the new internal-revenue law. Assuming that the revenues for the year will be four times what they have been for the first quarter, the total insular revenues for the fiscal year would be \$8,646,444, excluding internal-revenue receipts. It is estimated that, after giving to the municipalities and provinces that portion of the income which by law accrues to them from the new internal-revenue law, the insular treasury will receive during the eleven months of the fiscal year that the law will be in operation—from August 1, 1904, to June 30, 1905—\$1,750,000.

The municipal board of the city of Manila estimates the revenues of the city for the year to be \$1,659,750. The revenues available for appropriation therefore may be thus estimated:

Insular revenues for the year, not including internal-revenue taxes	\$8, 646, 444. 00
Proceeds of internal-revenue taxes	1, 750, 000. 00
City of Manila	1, 659, 750. 00

Estimated total revenues for the year	12, 056, 194. 00
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Grand summary, fiscal year 1905.

Total of estimated appropriations for the insular government and the city of Manila	\$13, 213, 542. 71
Total estimated revenues for the year, including the city of Manila	12, 056, 194. 00

An apparent deficit of	1, 157, 348. 71
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It is difficult to determine the amount that should be deducted from this apparent deficit by reason of repayments. The repayments for the current fiscal year will be far less than in former years because the appropriations were more closely drawn and also because all available surplus under appropriations for the first half of the fiscal year 1904 was in each case deducted from the appropriations of the bureau for the second half, so that in substance the repayments for the first half of the fiscal year 1904 have already accrued to the insular treasury through the diminished appropriations made for the bureau in the last half. While the repayments stated in the auditor's report for the months of July, August, and September, 1904, are large, yet those repayments were mainly due to revolving or reimbursable appropriations, so that they do not inure as revenue to the government, but continue to perform their functions in the bureaus for which they were appropriated, such as that of the insular purchasing agent, without being treated either as income or disbursements. It is estimated that repayments that are properly to be treated as income and to be deducted from the deficit above stated will amount to \$450,000 for the year. This is the estimate made by the acting auditor. Deducting this sum from the apparent deficit above shown, there would remain an actual probable deficit for the fiscal year 1905 amounting to \$707,348.71. It is apparent from these figures that without the income to accrue from the internal-revenue law the government would have been in a bad financial condition. It is also apparent that the great drain upon the insular revenues caused by the large contracts for permanent improvements that have been entered upon can not continue. This drain never ought to have been made, but for

reasons unnecessary to be detailed here Congress has not yet taken the necessary steps to authorize the sale of bonds to secure money for permanent improvements.

It is strenuously urged that Congress be requested to authorize the issuance of bonds for permanent improvements of the insular government, not to exceed \$10,000,000 in amount, and that the insular government be authorized, out of the proceeds of such bonds, to reimburse itself for the sums heretofore appropriated for the improvements of the ports at Manila, Cebu, and Iloilo, and for the construction of the Benguet road.

The necessity for economy has induced great reductions in appropriations for the fiscal year 1905, as compared with those for the fiscal year 1904, involving very largely the elimination of permanent improvements that had not already been begun and were not under contract, and also material reductions in the ordinary expenses of bureaus. Such reductions have, in many cases, caused the dismissal of a considerable number of employees. It is not believed, however, that the efficiency of the service has been impaired by these reductions. The total appropriations for the insular government and for the city of Manila for the fiscal year 1904 for ordinary and extraordinary expenditures and for permanent improvements, not including any appropriations for the gold-standard fund or the Congressional relief fund, amounted to ₱30,098,616.26 and 748,771.19 pesos Mexican currency. Reducing the Mexican currency to Philippine currency at the arbitrary ratio of 1 peso Philippine currency for 1 peso and 10 centavos Mexican, that item would stand ₱680,701.26, making a total of ₱30,779,317.52, or \$15,389,658.76 in gold. The total appropriations made and to be made for the fiscal year 1905 for ordinary and extraordinary expenditures and for permanent improvements for the insular government and for the city of Manila, as above stated, are estimated at \$13,213,542.71, making a reduction in appropriations for the fiscal year 1905 of \$2,176,116.05, as compared with the fiscal year 1904.

In the foregoing budget no items are included pertaining to the gold-standard fund, because all the receipts and disbursements relating to that fund enter into separate accounts and are dealt with elsewhere. Nor does this budget undertake to deal with the Congressional relief fund, because no part of it enters into the general revenues.

Nor do the friar-land bonds enter into this budget, except so far as it includes appropriations for interest which has been or will be paid upon those bonds. The proceeds of the bonds themselves and all lands that shall be acquired by virtue thereof constitute a separate trust fund.

THE BUDGET OF THE CITY OF MANILA.

The revenues for the city of Manila for the fiscal year 1905 are estimated by the municipal board, as above stated, to amount to \$1,659,750. The appropriations for the city, as above stated, amount to \$2,296,368.76½, including permanent improvements; the balance of the appropriations above the estimated income of the city being provided for by the payment by the insular government of 30 per cent of the expenditures of the city, as heretofore.

The statement of the budget of the city of Manila will therefore be:

Revenues -----	\$1, 659, 750. 00
30 per cent of expenditure to be paid by Insular government.....	688, 910. 63
Aggregate income -----	2, 348, 660. 63
Total appropriation -----	2, 296, 368. 76½
An apparent surplus for the fiscal year of.....	52, 291. 86½

It will be observed that the estimated income for the city of Manila is less than for the fiscal year 1904. The diminution of receipts results largely from the fact that the internal-revenue collections from distillers, manufacturers of cigars and cigarettes, tobacco manufacturers, and brewers located in the city heretofore went for the benefit of the city. Hereafter the internal revenues will be apportioned throughout the various provinces, including the city of Manila, in proportion to the population; and this is only just, inasmuch as articles of this character produced in the city of Manila are consumed all over the islands and the consumers pay the revenues, and the revenues ought to be distributed generally, instead of all being concentrated for the benefit of the capital.

FINANCIAL CONDITION OF THE PROVINCES AND MUNICIPALITIES.

The following summary will show, in a general way, the financial condition of the provincial and municipal governments. Certain minor license taxes, however, are paid direct to the municipal treasuries and do not appear in this statement.

PROVINCIAL GOVERNMENTS.

The following shows the financial condition of each province for the current fiscal year:

Abra.—Balance, provincial fund, July 1, 1903, ₱724.16, 6,448.60 pfs. Revenues collected: Provincial, ₱8,563.82, 5,344.86 pfs.; municipal, ₱14,344.69, 12,232.80 pfs. Refund by warrant of internal revenue and forestry collections, ₱3,384.20. Cash balance, provincial fund, June 30, 1904, ₱8,640.56, 2,132.74 pfs.

Albay.—Balance, provincial fund, July 1, 1903, ₱6,308.92, 4,782.15 pfs. Revenues collected: Provincial, ₱54,982.59, 63,587.09 pfs.; municipal, ₱70,095.72, 112,899.18 pfs. Refunds by warrant of internal revenue and forestry collections, ₱4,000.16. Cash balance, provincial fund, June 30, 1904, ₱17,912.72, 1,383.67 pfs.

Ambos Camarines.—Balance, provincial fund, July 1, 1903, ₱3,714.68, 28,031.40 pfs. Revenues collected: Provincial, ₱39,474.98, 48,278.20 pfs.; municipal, ₱46,735.48, 58,740.22 pfs. Refund by warrant of internal revenue and forestry collections, ₱14,967.33. Cash balance, provincial fund, June 30, 1904, ₱2,461.46, 27,927.55 pfs.

Antique.—Balance, provincial fund, July 1, 1903, ₱278.30, 6,024.08 pfs. Revenues collected: Provincial, ₱11,453.87, 12,390.72 pfs.; municipal, ₱15,482.97, 22,075.23 pfs. Refunds by warrants of internal revenue and forestry collections, ₱513.39. Cash balance, provincial fund, June 30, 1904, ₱4,876.79, 1,932.18 pfs.

Batuan.—Balance, provincial fund, July 1, 1903, ₱317.18, 3,319.06 pfs. Revenues collected: Provincial, ₱16,639.86, 9,193.26 pfs.; municipal, ₱21,524.73, 15,616.65 pfs. Refunds by warrant of internal revenue and forestry collections, ₱13,835.02. Cash balance, provincial fund, June 30, 1904, ₱6,222.26, 178.28 pfs.

Batangas.—Balance, provincial fund, July 1, 1903, ₱8,366.94, 32,961.56 pfs. Revenues collected: Provincial, ₱59,263.21, 19,859.73 pfs.; municipal, ₱83,109.70, 39,998.92 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,689.46. Cash balance, provincial fund, June 30, 1904, ₱24,004.52, 3,800.04 pfs.

Benguet.—Balance, provincial fund, July 1, 1903, 5,305.88 pfs. Revenues

collected: Provincial, ₱500.66, 473.06 pfs. Refunds by warrant of internal revenue and forestry collections, none. Cash balance, provincial fund, June 30, 1904, ₱3,119.98, 129.85 pfs.

Bohol.—Balance, provincial fund, July 1, 1903, ₱14,344.04, 11,402.89 pfs. Revenues collected: Provincial, ₱17,852.20, 39,896.68 pfs.; municipal, ₱23,891.27, 59,948.70 pfs. Refund by warrant of internal revenue and forestry collections, ₱2,062.52. Cash balance, provincial fund, June 30, 1904, ₱17,656.21, 16,806.67 pfs.

Bulacan.—Balance, provincial fund, July 1, 1903, ₱3,452.88, 22,291.95 pfs. Revenues collected: Provincial, ₱92,249.96, 70,879.33 pfs.; municipal, ₱114,939.38, 100,954.38 pfs. Refund by warrant of internal revenue and forestry collections, ₱6,917.52. Cash balance, provincial fund, June 30, 1904, ₱73,564.55, 326.85 pfs.

Cagayan.—Balance, provincial fund, July 1, 1903, ₱20,271.34, 43,539.54 pfs. Revenues collected: Provincial, ₱19,649.92, 53,106.11 pfs.; municipal, ₱30,805.19, 104,898.45 pfs. Refunds by warrant of internal revenue and forestry collections, ₱10,070.63. Cash balance, provincial fund, June 30, 1904, ₱15,786.81, 29,700.88 pfs.

Capiz.—Balance, provincial fund, July 1, 1903, ₱171.66, 3,263.24 pfs. Revenues collected: Provincial, ₱25,173.86, 16,318.06 pfs.; municipal, ₱33,511.22, 23,337.11 pfs. Refund by warrant of internal revenue and forestry collections, ₱1,727.53. Cash balance, provincial fund, June 30, 1904, ₱6,564.78, 745.56 pfs.

Cavite.—Balance, provincial fund, July 1, 1903, ₱13,013.48, 37,589.66 pfs. Revenues collected: Provincial, ₱39,140.43, 21,821.20 pfs.; municipal, ₱69,330.95, 57,203.29 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,022.42. Cash balance, provincial fund, June 30, 1904, ₱22,005.70.

Cebu.—Balance, provincial fund, July 1, 1903, ₱14,313.20, 32,908.42 pfs. Revenues collected: Provincial, ₱72,445.08, 90,598.45 pfs.; municipal, ₱103,247.09, 170,228.76 pfs. Refunds by warrant of internal revenues and forestry collections, ₱1,521.50. Cash balance, provincial fund, June 30, 1904, ₱8,453.35, 61,102.86 pfs.

Ilocos Norte.—Balance, provincial fund, July 1, 1903, ₱4,688.96, 35,525.27 pfs. Revenues collected: Provincial, ₱35,904.86, 25,375.93 pfs.; municipal, ₱48,995.09, 48,826.54 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,155.90. Cash balance, provincial fund, June 30, 1904, ₱5,379.24.

Ilocos Sur.—Balance, provincial fund, July 1, 1903, ₱1,805.16, 19,099.32 pfs. Revenues collected: Provincial, ₱43,119.47, 29,059.25 pfs.; municipal, ₱61,818.09, 58,705.02 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,678.25. Cash balance, provincial fund, June 30, 1904, ₱17,826.46, 13,058.69 pfs.

Iloilo.—Balance, provincial fund, July 1, 1903, ₱5,508.38, 1,400.01 pfs. Revenues collected: Provincial, ₱87,488.08, 73,058.65 pfs.; municipal, ₱105,783.40, 152,507.05 pfs. Refunds by warrant of internal revenue and forestry collections, ₱11,688.49. Cash balance, provincial fund, June 30, 1904, ₱43,525.12, 9,684.98 pfs.

Isabela.—Balance, provincial fund, July 1, 1903, ₱1,335.84, 8,992.54 pfs. Revenues collected: Provincial, ₱13,300.20, 46,204.10 pfs.; municipal, ₱15,736.43, 68,801.34 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,595.68. Cash balance, provincial fund, June 30, 1904, ₱4,672.04, 13,575.77 pfs.

Laguna.—Balance, provincial fund, July 1, 1903, ₱24.60, 2,048.02 pfs. Revenues collected: Provincial, ₱53,672.91, 46,090.22 pfs.; municipal, ₱75,524.80, 100,061.87 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,319.97. Cash balance, provincial fund, June 30, 1904, ₱39,298.01, 6,568.19 pfs.

Lepanto-Bontoc.—Balance, provincial fund, July 1, 1903, ₱12,410.20 pfs. Revenues collected: Provincial, ₱272.22, 106.78 pfs.; municipal, ₱4,208.30, 8,194.58 pfs. Refunds by warrant of internal revenue and forestry collections, ₱5.42. Cash balance, provincial fund, June 30, 1904, ₱9,123.48, 2,858.48 pfs.

Leyte.—Balance, provincial fund, July 1, 1903, ₱197.50, 42,969.07 pfs. Revenues collected: Provincial, ₱191,255.78, 49,987.93 pfs.; municipal, ₱133,082.59, 57,431.01 pfs. Refunds by warrant of internal revenue and forestry collections, ₱5,744.51. Cash balance, provincial fund, June 30, 1904, ₱24,864.40, 4,826.75 pfs.

Marbato.—Balance, provincial fund, July 1, 1903, ₱122.94, 4,771.72 pfs. Revenues collected: Provincial, ₱7,625.27, 3,172.35 pfs.; municipal, ₱9,420.86, 4,974.39 pfs. Refunds by warrant of internal revenue and forestry collections, ₱15,421.17. Cash balance, provincial fund, June 30, 1904, ₱2,056.26, 517.29 pfs.

Mindoro.—Balance, provincial fund, July 1, 1903, ₱2.80, 4,791.02 pfs. Revenues collected: Provincial, ₱6,873.89, 1,895.45 pfs.; municipal, ₱13,167.13, 14,061.54 pfs. Refunds by warrant of internal revenue and forestry collections, ₱9,224.46. Cash balance, provincial fund, June 30, 1904, ₱12.39, 3,975.73 pfs.

Misamis.—Balance, provincial fund, July 1, 1903, ₱1,690.46, 9,770.52 pfs. Revenues collected: Provincial, ₱11,555.72, 46,151.97 pfs.; municipal, ₱17,373.22, 62,266.83 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,658.89. Cash balance, provincial fund, June 30, 1904, ₱7,721.84, 7,525.89 pfs.

Nueva Ecija.—Balance, provincial fund, July 1, 1903, ₱4,698.38, 16,183.15 pfs. Revenues collected: Provincial, ₱31,794.06, 12,143.51 pfs.; municipal, ₱32,896.91, 12,198.24 pfs. Refunds by warrant of internal revenue and forestry collections, ₱5,122.54. Cash balance, provincial fund, June 30, 1904, ₱15,188.59, 413.81 pfs.

Nueva Vizcaya.—Balance, provincial fund, July 1, 1903, ₱9,467.70 pfs. Revenues collected: Provincial, ₱368.56, 142.39 pfs.; municipal, ₱12,747.23, 8,188.85 pfs. Refunds by warrant of internal revenue and forestry collections, none. Cash balance, provincial fund, June 30, 1904, ₱2,972.98, 739.31 pfs.

Occidental Negros.—Balance, provincial fund, July 1, 1903, ₱1,491.72, 5,284.33 pfs. Revenues collected: Provincial, ₱47,189.37, 32,142.47 pfs.; municipal, ₱57,758.59, 55,428.16 pfs. Refunds by warrant of internal revenue and forestry collections, ₱12,144.69. Cash balance, provincial fund, June 30, 1904, ₱20,509.74, 21,649.90 pfs.

Oriental Negros.—Balance, provincial fund, July 1, 1903, ₱1,908, 14,676.40 pfs. Revenues collected: Provincial, ₱20,582.39, 3,622.69 pfs.; municipal, ₱23,083.35, 49,707.77 pfs. Refunds by warrant of internal revenue and forestry collections, ₱2,514.06. Cash balance, provincial fund, June 30, 1904, ₱24,914.33, 3,084.31 pfs.

Pampanga.—Balance, provincial fund, July 1, 1903, ₱43,780.02, 59,386.51 pfs. Revenues collected: Provincial, ₱59,843.21, 19,978.38 pfs.; municipal, ₱80,666.43, 40,427.75 pfs. Refunds by warrant of internal revenue and forestry collections, ₱8,574.53. Cash balance, provincial fund, June 30, 1904, ₱64,325.43, 7,623.61 pfs.

Pangasinan.—Balance, provincial fund, July 1, 1903, ₱352.52, 30,577.48 pfs. Revenues collected: Provincial, ₱150,493.07, 51,419.29 pfs.; municipal, ₱216,719.97, 100,602.92 pfs. Refunds by warrant of internal revenue and forestry collections, ₱5,728.82. Cash balance, provincial fund, June 30, 1904, ₱66,085.43, 9,295.41 pfs.

Paragua.—Balance, provincial fund, July 1, 1903, 2,262.46 pfs. Revenues collected: Provincial, ₱2,473.62, 476.14 pfs.; municipal, ₱7,687.56, 5,773.83 pfs. Refunds by warrant of internal revenue and forestry collections, ₱7,442.85. Cash balance, provincial fund, June 30, 1904, ₱2,654.76.

Rizal.—Balance, provincial fund, July 1, 1903, ₱2,796.48, 1,609.64 pfs. Revenues collected: Provincial, ₱72,512.98, 30,510.40 pfs.; municipal, ₱99,826.79, 68,176.43 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,631.76. Cash balance, provincial fund, June 30, 1904, ₱32,815.04, 3,035.18 pfs.

Romblon.—Balance, provincial fund, July 1, 1903, ₱156.22, 2,613.49 pfs. Revenues collected: Provincial, ₱8,782.26, 18,740.70 pfs.; municipal, ₱11,681.77, 24,737.71 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,680.30. Cash balance, provincial fund, June 30, 1904, ₱15,215.53, 150.98 pfs.

Samar.—Balance, provincial fund, July 1, 1903, ₱2,333.62, 94,209.54 pfs. Revenues collected: Provincial, ₱51,395.59, 28,296.69 pfs.; municipal, ₱57,876.39, 37,162.86 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,931.25. Cash balance, provincial fund, June 30, 1904, ₱74,464.82, 3,798.24 pfs.

Sorsogon.—Balance, provincial fund, July 1, 1903, ₱16,886.20, 1,359.64 pfs. Revenues collected: Provincial, ₱58,682.68, 37,443.49 pfs.; municipal, ₱82,404.51, 74,481.80 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,848.53. Cash balance, provincial fund, June 30, 1904, ₱8,583.99.

Surigao.—Balance, provincial fund, July 1, 1903, ₱132.98, 2,701.64 pfs. Revenues collected: Provincial, ₱7,835.34, 25,778.76 pfs.; municipal, ₱8,619.29, 27,796.84 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,572.58. Cash balance, provincial fund, June 30, 1904, ₱6,432.57, 956.49 pfs.

Tarlac.—Balance, provincial fund, July 1, 1903, ₱20,313.12, 27,105.25 pfs. Revenues collected: Provincial, ₱50,977.56, 19,103.05 pfs.; municipal, ₱68,001.41, 36,646.59 pfs. Refunds by warrant of internal revenue and forestry collections, ₱10,064.78. Cash balance, provincial fund, June 30, 1904, ₱42,982.64, 878.61 pfs.

Tagabas.—Balance, provincial fund, July 1, 1903, ₱18,330.40, 37,345.20 pfs. Revenues collected: Provincial, ₱56,242.36, 32,431.08 pfs.; municipal, ₱80,772.55, 59,414.10 pfs. Refunds by warrant of internal revenue and forestry collections, ₱50,056.54. Cash balance, provincial fund, June 30, 1904, ₱27,986.37, 12,222.75 pfs.

Union.—Balance, provincial fund, July 1, 1903 (balance due officer), 2,863.34 pfs. Revenues collected: Provincial, ₱27,588.60, 29,206.51 pfs.; municipal, ₱36,352.03, 52,437.86 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,813.43. Cash balance, provincial fund, June 30, 1904, ₱2,884.02, 10,597.26 pfs.

Zambales.—Balance, provincial fund, July 1, 1903, ₱1,652.82, 2,820.96 pfs. Revenues collected: Provincial, ₱10,656.60, 10,493.41 pfs.; municipal, ₱14,825.75, 20,537.74 pfs. Refunds by warrant of internal revenue and forestry collections, ₱11,260.05. Cash balance, provincial fund, June 30, 1904, ₱8,602.96, 11.50 pfs.

Moro Province.—(Organized July 15, 1903.) Revenues collected:

Districts.	Provincial.		Municipal.	
		<i>Pfs.</i>		<i>Pfs.</i>
Cottobato	₱10,423.32	11.32	₱5,966.98	
Davao	7,131.62	6,790.92	1,707.70	250.95
Zamboanga	10,808.55	5,193.73	12,839.80	4,469.06
Sulu	8,066.44	105.28	4,421.77	129.67
Lanao	5,403.62		2,929.66	
	41,863.55	12,101.25	27,865.91	4,849.68

Refunds by warrant of internal revenue and forestry collections, ₱37,656.39. Cash balance, provincial fund, June 30, 1904, ₱441,484.67, 464.04 pfs.

The large balance of provincial funds on hand June 30, 1904, arises mainly from the fact that the Commission appropriated ₱300,000 out of the Congressional relief fund for the construction of roads, etc., in the Moro province which had not been expended at the close of the fiscal year.

The balance in the provincial treasuries, as stated above, includes provincial funds only. Municipal funds on deposit with provincial treasurers and amounts due to municipalities are not taken into consideration. The report of the auditor for the fiscal year 1904 shows that the total collections in the provinces for provincial and municipal purposes were as follows:

	Value.	
		<i>Pfs.</i>
Total provincial revenues	₱1,517,741.20	1,168,879.59
Total municipal revenues	2,031,914.71	2,033,202.99
Total	3,549,655.91	3,232,082.58

Reducing the Mexican currency to Philippine currency at the rate of 1.10 to 1, and Philippine currency to United States at the rate of 2 to 1, there appears a grand total of provincial and municipal revenues, expressed in United States currency, amounting to \$3,243,956.40.

During the fiscal year 1903 the total revenues from the same sources, reductions having been made in the same way, amounted to \$2,715,105.53, showing an increase in collections during the fiscal year 1904 over the fiscal year 1903 amounting to \$528,850.87.

At the close of the fiscal year 1904 there were cash balances in the hands of the provincial treasurers amounting to \$740,398.85½, money of the United States, reductions of currency being made on the basis above stated. At the close of the fiscal year 1903 the cash balance of provincial funds in the hands of provincial treasurers amounted to \$446,547.87, in money of the United States, showing an increase of

Mindoro.—Balance, provincial fund, July 1, 1903, ₱2.80, 4,791.02 pfs. Revenues collected: Provincial, ₱6,873.89, 1,895.45 pfs.; municipal, ₱13,167.13, 14,061.54 pfs. Refunds by warrant of internal revenue and forestry collections, ₱9,224.46. Cash balance, provincial fund, June 30, 1904, ₱12.39, 3,975.73 pfs.

Misamis.—Balance, provincial fund, July 1, 1903, ₱1,690.46, 9,770.52 pfs. Revenues collected: Provincial, ₱11,555.72, 46,151.97 pfs.; municipal, ₱17,373.22, 62,266.83 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,658.89. Cash balance, provincial fund, June 30, 1904, ₱7,721.84, 7,525.89 pfs.

Nueva Ecija.—Balance, provincial fund, July 1, 1903, ₱4,698.38, 16,183.15 pfs. Revenues collected: Provincial, ₱31,794.06, 12,143.51 pfs.; municipal, ₱32,896.91, 12,198.24 pfs. Refunds by warrant of internal revenue and forestry collections, ₱5,122.54. Cash balance, provincial fund, June 30, 1904, ₱15,188.59, 413.81 pfs.

Nueva Vizcaya.—Balance, provincial fund, July 1, 1903, ₱9,467.70 pfs. Revenues collected: Provincial, ₱368.56, 142.39 pfs.; municipal, ₱12,747.23, 8,188.85 pfs. Refunds by warrant of internal revenue and forestry collections, none. Cash balance, provincial fund, June 30, 1904, ₱2,972.98, 739.31 pfs.

Occidental Negros.—Balance, provincial fund, July 1, 1903, ₱1,491.72, 5,284.33 pfs. Revenues collected: Provincial, ₱47,189.37, 32,142.47 pfs.; municipal, ₱57,758.59, 55,428.16 pfs. Refunds by warrant of internal revenue and forestry collections, ₱12,144.69. Cash balance, provincial fund, June 30, 1904, ₱20,509.74, 21,649.90 pfs.

Oriental Negros.—Balance, provincial fund, July 1, 1903, ₱1,908, 14,676.40 pfs. Revenues collected: Provincial, ₱20,582.39, 3,622.69 pfs.; municipal, ₱23,083.35, 49,707.77 pfs. Refunds by warrant of internal revenue and forestry collections, ₱2,514.06. Cash balance, provincial fund, June 30, 1904, ₱24,914.33, 3,084.31 pfs.

Pampanga.—Balance, provincial fund, July 1, 1903, ₱43,780.02, 59,386.51 pfs. Revenues collected: Provincial, ₱59,843.21, 19,978.38 pfs.; municipal, ₱80,666.43, 40,427.75 pfs. Refunds by warrant of internal revenue and forestry collections, ₱8,574.53. Cash balance, provincial fund, June 30, 1904, ₱64,325.43, 7,623.61 pfs.

Pangasinan.—Balance, provincial fund, July 1, 1903, ₱352.52, 39,577.48 pfs. Revenues collected: Provincial, ₱150,493.07, 51,419.29 pfs.; municipal, ₱216,719.97, 100,602.92 pfs. Refunds by warrant of internal revenue and forestry collections, ₱5,728.82. Cash balance, provincial fund, June 30, 1904, ₱66,085.43, 9,295.41 pfs.

Paragua.—Balance, provincial fund, July 1, 1903, 2,262.46 pfs. Revenues collected: Provincial, ₱2,473.62, 476.14 pfs.; municipal, ₱7,687.56, 5,773.83 pfs. Refunds by warrant of internal revenue and forestry collections, ₱7,442.85. Cash balance, provincial fund, June 30, 1904, ₱2,654.76.

Rizal.—Balance, provincial fund, July 1, 1903, ₱2,796.48, 1,609.64 pfs. Revenues collected: Provincial, ₱72,512.98, 30,510.40 pfs.; municipal, ₱99,826.79, 68,176.43 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,631.76. Cash balance, provincial fund, June 30, 1904, ₱32,815.04, 3,035.18 pfs.

Romblon.—Balance, provincial fund, July 1, 1903, ₱156.22, 2,613.49 pfs. Revenues collected: Provincial, ₱8,782.26, 18,740.70 pfs.; municipal, ₱11,681.77, 24,737.71 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,680.30. Cash balance, provincial fund, June 30, 1904, ₱15,215.53, 150.08 pfs.

Samar.—Balance, provincial fund, July 1, 1903, ₱2,333.62, 94,209.54 pfs. Revenues collected: Provincial, ₱51,395.59, 28,296.69 pfs.; municipal, ₱57,876.39, 37,162.86 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,931.25. Cash balance, provincial fund, June 30, 1904, ₱74,464.82, 3,798.24 pfs.

Sorsogon.—Balance, provincial fund, July 1, 1903, ₱16,886.20, 1,359.64 pfs. Revenues collected: Provincial, ₱58,682.68, 37,443.49 pfs.; municipal, ₱82,404.51, 74,481.80 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,848.53. Cash balance, provincial fund, June 30, 1904, ₱8,583.99.

Surigao.—Balance, provincial fund, July 1, 1903, ₱132.98, 2,701.64 pfs. Revenues collected: Provincial, ₱7,835.34, 25,778.76 pfs.; municipal, ₱8,619.29, 27,796.84 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,572.58. Cash balance, provincial fund, June 30, 1904, ₱6,432.57, 956.49 pfs.

Tarlac.—Balance, provincial fund, July 1, 1903, ₱20,313.12, 27,105.25 pfs. Revenues collected: Provincial, ₱50,977.56, 19,163.05 pfs.; municipal, ₱68,001.41, 36,646.59 pfs. Refunds by warrant of internal revenue and forestry collections, ₱10,064.78. Cash balance, provincial fund, June 30, 1904, ₱42,982.64, 878.61 pfs.

Tayabas.—Balance, provincial fund, July 1, 1903, ₱18,330.40, 37,345.20 pfs. Revenues collected: Provincial, ₱56,242.36, 32,431.08 pfs.; municipal, ₱80,772.55, 59,414.10 pfs. Refunds by warrant of internal revenue and forestry collections, ₱50,056.54. Cash balance, provincial fund, June 30, 1904, ₱27,986.37, 12,222.75 pfs.

Union.—Balance, provincial fund, July 1, 1903 (balance due officer), 2,863.34 pfs. Revenues collected: Provincial, ₱27,588.60, 29,206.51 pfs.; municipal, ₱36,352.03, 52,437.86 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,813.43. Cash balance, provincial fund, June 30, 1904, ₱2,884.02, 10,597.26 pfs.

Zambales.—Balance, provincial fund, July 1, 1903, ₱1,652.82, 2,820.96 pfs. Revenues collected: Provincial, ₱10,656.60, 10,493.41 pfs.; municipal, ₱14,825.75, 20,537.74 pfs. Refunds by warrant of internal revenue and forestry collections, ₱11,260.05. Cash balance, provincial fund, June 30, 1904, ₱8,602.96, 11.50 pfs.

Moro Province.—(Organized July 15, 1903.) Revenues collected:

Districts.	Provincial.		Municipal.	
		Pfs.		Pfs.
Cottobato	₱10,423.32	11.32	₱5,006.98	
Davao	7,131.62	6,790.92	1,707.70	250.95
Zamboanga	10,808.55	5,193.73	12,839.80	4,469.06
Sulu	8,006.44	105.28	4,421.77	129.67
Lanao	5,403.62		2,929.06	
	41,863.55	12,101.25	27,865.91	4,849.68

Refunds by warrant of internal revenue and forestry collections, ₱37,650.39. Cash balance, provincial fund, June 30, 1904, ₱441,484.67, 464.04 pfs.

The large balance of provincial funds on hand June 30, 1904, arises mainly from the fact that the Commission appropriated ₱300,000 out of the Congressional relief fund for the construction of roads, etc., in the Moro province which had not been expended at the close of the fiscal year.

The balance in the provincial treasuries, as stated above, includes provincial funds only. Municipal funds on deposit with provincial treasurers and amounts due to municipalities are not taken into consideration. The report of the auditor for the fiscal year 1904 shows that the total collections in the provinces for provincial and municipal purposes were as follows:

	Value.	
		Pfs.
Total provincial revenues	₱1,517,741.20	1,168,859.59
Total municipal revenues	2,031,914.71	2,053,262.99
Total	3,549,655.91	3,232,082.58

Reducing the Mexican currency to Philippine currency at the rate of 1.10 to 1, and Philippine currency to United States at the rate of 2 to 1, there appears a grand total of provincial and municipal revenues, expressed in United States currency, amounting to \$3,243,956.40.

During the fiscal year 1903 the total revenues from the same sources, reductions having been made in the same way, amounted to \$2,715,105.53, showing an increase in collections during the fiscal year 1904 over the fiscal year 1903 amounting to \$528,850.87.

At the close of the fiscal year 1904 there were cash balances in the hands of the provincial treasurers amounting to \$740,398.85½, money of the United States, reductions of currency being made on the basis above stated. At the close of the fiscal year 1903 the cash balance of provincial funds in the hands of provincial treasurers amounted to \$446,547.87, in money of the United States, showing an increase of

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Misamis.—Balance, provincial fund, July 1, 1903, ₱1,690.46, 9,770.52 pfs. Revenues collected: Provincial, ₱11,555.72, 46,151.97 pfs.; municipal, ₱17,373.22, 62,266.83 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,658.89. Cash balance, provincial fund, June 30, 1904, ₱7,721.84, 7,525.89 pfs.

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Nueva Vizcaya.—Balance, provincial fund, July 1, 1903, 9,467.70 pfs. Revenues collected: Provincial, ₱368.56, 142.39 pfs.; municipal, ₱12,747.23, 8,188.85 pfs. Refunds by warrant of internal revenue and forestry collections, none. Cash balance, provincial fund, June 30, 1904, ₱2,972.98, 739.31 pfs.

Occidental Negros.—Balance, provincial fund, July 1, 1903, ₱1,491.72, 5,284.33 pfs. Revenues collected: Provincial, ₱47,189.37, 32,142.47 pfs.; municipal, ₱57,758.59, 55,428.16 pfs. Refunds by warrant of internal revenue and forestry collections, ₱12,144.69. Cash balance, provincial fund, June 30, 1904, ₱20,509.74, 21,649.90 pfs.

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Pangasinan.—Balance, provincial fund, July 1, 1903, ₱352.52, 30,577.48 pfs. Revenues collected: Provincial, ₱150,493.07, 51,419.29 pfs.; municipal, ₱216,719.97, 100,602.92 pfs. Refunds by warrant of internal revenue and forestry collections, ₱5,728.82. Cash balance, provincial fund, June 30, 1904, ₱66,085.43, 9,295.41 pfs.

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Rizal.—Balance, provincial fund, July 1, 1903, ₱2,796.48, 1,609.64 pfs. Revenues collected: Provincial, ₱72,512.98, 30,510.40 pfs.; municipal, ₱99,826.79, 68,176.43 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,631.76. Cash balance, provincial fund, June 30, 1904, ₱32,815.04, 3,035.18 pfs.

Romblon.—Balance, provincial fund, July 1, 1903, ₱156.22, 2,613.49 pfs. Revenues collected: Provincial, ₱8,782.26, 18,740.70 pfs.; municipal, ₱11,681.77, 24,737.71 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,680.30. Cash balance, provincial fund, June 30, 1904, ₱15,215.53, 150.08 pfs.

Samar.—Balance, provincial fund, July 1, 1903, ₱2,333.62, 94,209.54 pfs. Revenues collected: Provincial, ₱51,395.59, 28,296.69 pfs.; municipal, ₱57,876.39, 37,162.86 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,931.25. Cash balance, provincial fund, June 30, 1904, ₱74,464.82, 3,798.24 pfs.

Sorsogon.—Balance, provincial fund, July 1, 1903, ₱16,886.20, 1,359.64 pfs. Revenues collected: Provincial, ₱58,682.68, 37,443.49 pfs.; municipal, ₱82,404.51, 74,481.80 pfs. Refunds by warrant of internal revenue and forestry collections, ₱3,848.53. Cash balance, provincial fund, June 30, 1904, ₱8,583.99.

Surigao.—Balance, provincial fund, July 1, 1903, ₱132.98, 2,701.64 pfs. Revenues collected: Provincial, ₱7,835.34, 25,778.76 pfs.; municipal, ₱8,619.29, 27,796.84 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,572.58. Cash balance, provincial fund, June 30, 1904, ₱6,432.57, 956.49 pfs.

Tarlac.—Balance, provincial fund, July 1, 1903, ₱20,313.12, 27,105.25 pfs. Revenues collected: Provincial, ₱50,977.56, 19,103.05 pfs.; municipal, ₱68,001.41, 36,646.59 pfs. Refunds by warrant of internal revenue and forestry collections, ₱10,064.78. Cash balance, provincial fund, June 30, 1904, ₱42,982.61, 878.61 pfs.

Tagabas.—Balance, provincial fund, July 1, 1903, ₱18,330.40, 37,345.20 pfs. Revenues collected: Provincial, ₱56,242.36, 32,431.08 pfs.; municipal, ₱80,772.55, 59,414.10 pfs. Refunds by warrant of internal revenue and forestry collections, ₱50,056.54. Cash balance, provincial fund, June 30, 1904, ₱27,986.37, 12,222.75 pfs.

Union.—Balance, provincial fund, July 1, 1903 (balance due officer), 2,863.34 pfs. Revenues collected: Provincial, ₱27,588.60, 29,206.51 pfs.; municipal, ₱36,352.03, 52,437.86 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,813.43. Cash balance, provincial fund, June 30, 1904, ₱2,884.02, 10,597.26 pfs.

Zambales.—Balance, provincial fund, July 1, 1903, ₱1,652.82, 2,820.96 pfs. Revenues collected: Provincial, ₱10,656.60, 10,493.41 pfs.; municipal, ₱14,825.75, 20,537.74 pfs. Refunds by warrant of internal revenue and forestry collections, ₱1,200.05. Cash balance, provincial fund, June 30, 1904, ₱8,602.96, 11.50 pfs.

Moro Province.—(Organized July 15, 1903.) Revenues collected:

Districts.	Provincial.		Municipal.	
		Pfs.		Pfs.
Cottobato	₱10,423.32	11.32	₱5,066.98	
Davao	7,131.62	6,790.92	1,707.70	250.95
Zamboanga	10,808.55	5,193.73	12,839.80	4,469.08
Sulu	8,066.44	105.28	4,421.77	129.67
Lanao	5,403.62		2,929.66	
	41,863.55	12,101.25	27,865.91	4,849.68

Refunds by warrant of internal revenue and forestry collections, ₱37,656.39. Cash balance, provincial fund, June 30, 1904, ₱441,484.67, 464.04 pfs.

The large balance of provincial funds on hand June 30, 1904, arises mainly from the fact that the Commission appropriated ₱300,000 out of the Congressional relief fund for the construction of roads, etc., in the Moro province which had not been expended at the close of the fiscal year.

The balance in the provincial treasuries, as stated above, includes provincial funds only. Municipal funds on deposit with provincial treasurers and amounts due to municipalities are not taken into consideration. The report of the auditor for the fiscal year 1904 shows that the total collections in the provinces for provincial and municipal purposes were as follows:

	Value.	
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Reducing the Mexican currency to Philippine currency at the rate of 1.10 to 1, and Philippine currency to United States at the rate of 2 to 1, there appears a grand total of provincial and municipal revenues, expressed in United States currency, amounting to \$3,243,956.40.

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Nueva Ecija.—Balance, provincial fund, July 1, 1903, ₱4,698.38, 16,183.15 pfs. Revenues collected: Provincial, ₱31,794.06, 12,143.51 pfs.; municipal, ₱32,896.91, 12,198.24 pfs. Refunds by warrant of internal revenue and forestry collections, ₱5,122.54. Cash balance, provincial fund, June 30, 1904, ₱15,188.59, 413.81 pfs.

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cash on hand amounting to \$293,850.78½. It will be observed that the provinces and municipalities, on the whole, were in better condition during the fiscal year 1904 than during the fiscal year 1903.

The following data show sums received by the various provinces not accruing from direct taxes collected within the provinces:

Advances from Insular funds to provinces where the provincial treasurer has lost funds-----	\$7, 834. 25
Forestry refunds-----	141, 138. 76
Loans to provinces from Congressional relief funds and insular funds-----	100, 942. 50
Appropriations to provinces from Congressional relief funds-----	175, 000. 00
Appropriations for provincial purposes to provinces not organized under the general provincial-government act-----	108, 588. 27½
Payments to provinces as reimbursements for payments made by them for the insular government, such as payment of rewards---	2, 414. 17½
Total -----	535, 922. 96

HENRY C. IDE,

Secretary of Finance and Justice.

To the PHILIPPINE COMMISSION.

EXHIBIT 1.

ANNUAL REPORT OF THE CLERK OF LAND REGISTRATION.

MANILA, P. I., *September 15, 1904.*

SIR: In accordance with your instructions I have the honor to submit the following report of work of this court for the period September 1, 1903, to August 31, 1904:

The judges and clerk of the court are the same as at the time of the organization on February 1, 1903.

Since the last annual report, rendered on September 14, 1903, the business of the court has materially increased and its usefulness is being demonstrated to a far greater degree than was the case up to that time. Up to September 1, 1903, the total number of applications filed was 144, while the total number on September 1, 1904 was 977, showing a total of 833 received during the year, being an average of approximately 70 per month. This increase in the number of applications may be ascribed to several causes:

First. That a knowledge of "the land registration act" is becoming more widespread throughout the provinces.

Second. That on account of lands reserved for civil and military reservations it has been obligatory upon many people to register their titles in order that the government could determine who are the true owners of the lands desired to be purchased.

Third. That the examiners of titles have, in most instances, exerted their energies to explain the workings of the law and assist property owners in the preparation of their applications for presentation to this court.

Fourth. The court has held several sessions in different provinces, and the people in such provinces have been convinced of the fact that this court was organized for the whole archipelago and not alone for Manila, they having had the impression prior to the holding of such provincial sessions that, while the law provided that the court had jurisdiction throughout the archipelago, still, as was the case under the former régime, many benefits which on their face were intended for the entire archipelago could only be properly embraced by people in or near Manila.

Between September 1, 1903, and August 31, 1904, 833 applications for registration were filed, as follows:

Abra	1	Cebu	25
Albay	53	Cottabato	2
Ambos Camarines	6	Davao	3
Bataan	62	Ilocos Norte	7
Benguet	27	Ilocos Sur	2
Bohol	1	Iloilo	107
Bulacan	20	Jolo	6
Agayay	1	Laguna	12
Cavite	27	Leyte	17

Manila	263	Rizal	62
Masbate	2	Samar	7
Mindoro	1	Sorsogon	10
Misamis	1	Surigao	10
Negros Occidental	4	Tarlac	2
Nueva Ecija	4	Tayabas	9
Pangasinan	3	Union	31
Pampanga	11	Zambales	1
Paragua	2	Zamboanga	31

The value of the property included in the above applications amounts to \$4,494,543.91 United States currency, making a total value of all applications received since the organization of the court of \$5,809,407.11 United States currency. This value not only compares favorably with results achieved in like time in other States and countries which have adopted the Torrens system of registration, but is far in excess of most other places where the system has been adopted.

Included among the applications presented are some of the largest haciendas in the islands, principal among which are those of Nasugbu in the province of Batangas; Mandaloyong and Pasay, province of Rizal, and the Valle de Sabini in the province of Nueva Ecija.

The following is a statement of the cases considered by this court during the period covered by this report:

	Manila.	Prov- inces.	Total.
Number of sessions	242	46	288
Cases decreed:			
Final	163	38	201
Appealed	5	2	7
Cases denied:			
Final	4	2	6
Appealed	2	2	4
Cases withdrawn	10	5	15
Cases pending	108	570	678
Cases opposed	42	110	152
Number of written oppositions	85	1,289	1,374
Number of persons included in above oppositions	120	1,399	1,510

In addition to the cases decreed many others were set for hearing, but it was impossible to decree the title to same on account of defects in titles or plans which must be rectified before decree is entered.

The court has held adjourned sessions in the following provinces outside the city of Manila:

Place.	Date	Days	Number of cases heard	Number of cases decreed.
Jolo, Jolo	Jan 4	1	1	1
Lingayen, Pangasinan	Jan 11	1	1	None.
Corregidor, Cavite	Jan. 18 and 19	2	18	None.
Hagonoy, Bulacan	Jan 21 and 22	2	3	None.
Cavite, Cavite	Jan 25	1	13	3
Baguio, Benguet	Feb. 1	1	1	None.
Los Baños, Laguna	Feb. 15	1	2	None.
Cebu, Cebu	Feb. 19 and 20	2	4	None.
Iloilo, Iloilo	Feb. 23, 24, 25, 26, 27, and 29	6	45	3
Mariveles, Bataan	Mar 7	1	5	None.
San Isidro, Nueva Ecija	Mar 10	1	3	None.
Do	Apr. 12 and 13	2	4	None.
Nasugbu, Batangas	Apr 23	1	1	None.
Maites, Bulacan	Apr 30	1	4	None.
Iloilo, Iloilo	May 24, 25, 26, 27, 28, and 31	6	77	4
Antipolo, Rizal	June 29 and 30	2	18	None.
Total		31	300	11

No cases denied.

It was thought that the court might be able to handle all cases without requesting the assignment of judges of courts of first instance, by referring the provincial cases to examiners of titles to take testimony. This method, however, has not given entire satisfaction, and, therefore, request was made to have two of the judges of courts of first instance assigned to this court temporarily, or until such time as the accumulated cases can be disposed of, which will probably be about December or January.

Quite a number of cases have been heard but not decreed, on account of the court awaiting the decision of the supreme court on certain points raised by the attorney-general and judge-advocate of the Philippine division, as to whether or not prescription runs against the government. One of these cases has been appealed to the supreme court and it was deemed better to await the decision of that body before entering any more decrees in similar cases, for the reason that if the court were to enter decree in all these cases the litigants would be put to needless expense in appealing from every decision, and one of the main objects of the court is to cause all parties concerned as little trouble and expense as possible.

All acting registers of deeds have been instructed to procure the necessary books and forms to be used in the registration of titles under the new system, and full instructions as to the proper method of using same were forwarded. However, as the said acting registers of deeds are the provincial treasurers, it is thought that with few exceptions they were so busy with their other duties as treasurers that no attention was paid to the instructions sent them and that the work of registration was delegated to some incompetent clerk.

As regards registrations made by provincial treasurers under the mortgage law, they are a farce. Upon investigation it was found that many offices had not a copy of the mortgage law and many of the treasurers were entirely ignorant of there being such a law in existence. When registers of deeds are appointed for the different provinces their first duties will be to attempt to straighten out the old books, but inasmuch as the records of all the provinces, with possibly two exceptions, were either partially or totally destroyed since 1896, and this in connection with the fact that most of the registrations made since the establishment of provincial governments are of no value and should not have been made in the first place, it is folly to expect to reestablish registration under the old system, and to put them in the same condition as they were prior to the revolution of 1896.

Some persons who have purchased property have had their documents registered, presuming that the laws were such as to permit the registration of all documents; other persons, with intent to defraud, have taken advantage of the acting registers of deeds' ignorance and secured registration of documents which they knew should not be admitted for record. It matters not whether their intentions were honest; the fact remains that the registration is of no value, and while the nullification by the courts in the future of such registrations may injure some, still it will only be justice in many cases, especially as regards those who registered documents with fraudulent intent.

Upon careful observation of the mortgage law it will be found that it was intended to cover both registration and abstracting.

If properly executed in all its parts, it is far superior to the general system used in America, and in its execution it closely resembles the Torrens law. No piece of property was supposed to be registered unless the person or persons could produce satisfactory evidence of title. Each parcel admitted for registration was given a distinct number, and separate pages devoted to each property. After the original registration of a parcel of land all future transactions relative to same were entered successively, each entry being given a consecutive number. For instance, suppose the property was registered as "Finca No. 781," the next record of a transaction affecting said property would immediately succeed the first registration and be numbered serially beginning with No. 1. If all the provisions of the law were correctly carried out, it would be possible at any time to trace a title and all transactions relating to same from the last entry to the first without inconvenience. Notwithstanding the excellent theory of the mortgage law, on account of the great negligence of property owners it never accomplished its object in these islands, and it is safe to say that not 10 per cent of the property in the Philippines was brought under its provisions.

The mortgage law became effective in these islands on December 1, 1889, and its provisions were in effect for a period of between seven and eight years, until the summer of 1898. Since 1898 to the present time, a period of seven years, it has not been observed throughout the provinces. It will be seen that its good effects are not evident except in Manila. While it is still in force, the property owners can not say that the new system is obligatory; still it is expected that when the registers of deeds have been appointed for the provinces, and they have straightened out the old registrations made by the treasurers, and they apply the provisions of the mortgage law as they should be applied, many persons will be unable to register their properties except under Act 496, and a corresponding increase in the number of applications should result.

One of the main obstacles to the progress of the Torrens system noted in the last annual report of this court was the lack of surveyors and the exorbitant fees charged by those obtainable. The requirements as to plans have been made as simple as possible, but the court can not afford to decree title unless satisfied that the plan and description of the land are correct. Under Act 1108 this court may now employ surveyors as soon as registers of deeds have been appointed and have assumed the duties of their offices. Each register of deeds will be called upon to report to this office when there is sufficient work to justify the court in sending a surveyor to his province. The fees to be charged by the court are very reasonable, and yet not so low as to cause loss to the Government, and it is hoped that this arrangement will relieve the situation, at least partially.

On account of the unreliable work done by many so-called surveyors in the Philippines, it would be a benefit, both to the court and to property owners, if these surveyors were required to pass some examination as to their qualifications. This examination need not be as strict as is necessary for a junior civil engineer, but let it be one to test the general ability of the applicant. All persons who have passed such an examination would benefit thereby, because persons desiring the services of a surveyor could feel more secure

if they knew the person employed by them was competent, and that the plans for which they have paid would not be proven later to be worthless, and be under the necessity of paying for a new plan to some person designated by the court.

On September 19 examiners of titles were appointed for the third and sixth judicial districts; on October 28 for the eighth and ninth judicial districts, and on November 11 for the eleventh judicial district. Immediately upon the appointees assuming the duties of their offices a marked change was noted in the number of applications received from all the districts with the exception of the third, which has only furnished a very few applications outside the military and civil reservations. Iloilo has led all other provinces in the number of applications, 107 having been presented, and this is due mainly to the efforts of the provincial treasurer and examiner of titles. Twenty-five applications have been received from Cebu, and all but three are due to the efforts of the examiner of titles.

It was found, upon investigation last fall by the undersigned, who personally visited both Cebu and Iloilo, that the people of Cebu were not only ignorant of the provisions of Act 496, but were not disposed to embrace its advantages for the reason that the old registration books in the province are in better condition than any other registration books in the archipelago, with the exception of Manila, Cebu being the only province that has registration books which are worthy the name.

Under certifications from the commanding general, Philippine Division, received through the civil governor, pursuant to Act 627, notices have been published and served by this court on all occupants of the military reservations of Bacon, island of Guimaras, Ormoc, Tacloban, Calbayog, Iloilo, Daraga, and Jolo, making the total number of military reservations so certified to this court 25.

As regards the 34 civil reservations for light-house purposes, the court has experienced great difficulty in posting and serving the notices necessary under the provisions of Act 648. During the month of November the undersigned visited and posted and served notices on a majority of these reservations, and notices sufficient to cover the remainder were forwarded to the light-house keepers on each reservation not already served and posted. To date returns have not been received from several of these stations, and it is feared that on account of the irregularity of steamers visiting the said points that some of them have not been properly served and posted, and it may be necessary to secure legislation allowing an extension of time to any claimants of the land in which to present their applications. However it is thought that none of the land within the reservations which were not served and posted within the prescribed time belongs to private individuals, but is property of the Government. It was found that where the lands reserved for light-house purposes were occupied the people had no title whatever, other than possession, and in addition were too poor and too ignorant to make the necessary application.

In addition to the above, the reservations of Trinidad, Benguet; Magay, Zamboanga, and Culion, Paragua, have been certified to this court by the civil governor, and the necessary notices have

either been posted or are posting on same. Outside of the reservations of Trinidad, Benguet, Baguio, Benguet, and the island of Batan, practically no applications have been received as a result of reservations by the civil government.

Respectfully submitted.

J. R. WILSON,
Clerk of the Court.

Hon. HENRY C. IDE,
Secretary of Finance and Justice, Manila.

EXHIBIT 2.

ANNUAL REPORT OF THE ATTORNEY-GENERAL FOR THE PHILIPPINE ISLANDS.

OFFICE OF THE ATTORNEY-GENERAL,
Manila, P. I., September 15, 1904.

SIR: In compliance with the instructions contained in your communication of September 6, I have the honor to submit the following report covering the work of the Philippine judiciary for the year ending August 31, 1904. I shall divide the report into two parts. The first part will contain a statement of the work that has been accomplished by the courts, and the second a statement of the operations of this bureau:

PART FIRST.

I.—SUPREME COURT.

The following statistics, furnished by the clerk of the supreme court, show the work of that tribunal during the year, and the condition of business on August 31, 1904:

Number of cases pending September 1, 1903:	
Civil.....	103
Criminal.....	236
Number of cases filed during year ending September 1, 1904:	
Civil.....	189
Criminal.....	486
Number of cases decided during said year in which opinions have been filed:	
Civil.....	57
Criminal.....	176
Number of cases otherwise disposed of:	
Civil.....	19
Criminal.....	30
Number of cases pending September 1, 1904:	
Civil.....	216
Criminal.....	516
Changes among supreme court justices:	
Resignations.....	2
Number of applicants for admission to the bar:	
Americans.....	31
Philippines.....	113
Number who passed the bar examination:	
Americans.....	24
Filipinos.....	62
Number of cases "ready for argument":	
Civil.....	35
Criminal.....	180
Fees received during said year:	
Local currency.....	\$1,266. 76
Philippine currency.....	P7,792. 44

It appears from the foregoing figures that on September 1, 1903, there were 103 civil cases pending in the supreme court and that on September 1, 1904, there were 216, more than double the number pending at the beginning of the year. The criminal docket, as disclosed by the above report, indicates an increase of 280 cases. It thus appears that the docket is now twice as large as it was a year ago. The clerk of the supreme court calls attention to several matters relating to the administration of his office, to which attention is specially called. His report in full is attached hereto and marked "Exhibit A."

II.—COURT OF FIRST INSTANCE, CITY OF MANILA.

The full report of the clerk of the court of first instance for the city of Manila is attached hereto and marked "Exhibit B." An idea of the business of the court for the year which has just closed can be gathered from the following figures:

Civil branch.

Number of civil cases—	
On file September 1, 1903.....	442
Filed during the year.....	850
Decided during year.....	287
Dismissed upon motion of plaintiff during year.....	49
On docket September 1, 1904.....	956
An increase over September 1, 1903, of.....	514

Criminal branch.

Number of criminal cases—	
On file September 1, 1903.....	82
Filed during year.....	649
Decided during year.....	498
Dismissed during year.....	75
On docket September 1, 1904.....	731
An increase over September 1, 1903, of.....	158

Probate division.

Number of probate cases—	
On file September 1, 1903.....	337
Filed during year.....	210
Disposed of during year.....	88
Pending September 1, 1904.....	459

Revenue.

	Pfs.	Pesos.
Civil cases: Costs received during year.....	1,652.63	16,292.77
Criminal cases: Costs received during year.....	101.48	534.87
Fines and forfeited bails:		
Fines received during year.....	1,485.00	2,445.76
Bail bonds forfeited during year.....	605.00	6,000.00
Total.....	3,844.11	25,273.40

According to the foregoing figures, there were on the docket at the beginning of the year 442 civil cases and at the close of the year 956. This shows an increase of 514 cases during the year. The criminal branch is in a better condition. There were 88 criminal cases on the docket at the beginning of the year and only 158 at the end of the year. There were 573 cases disposed of during the year, of which 498 were decided and 75 dismissed.

The clerk of the court, in his report attached hereto, makes complaint, in which he is joined by the judges and the prosecuting attorney, that the business of the court is retarded by reason of the lack of proper interpreters. The report states that the present force is altogether inadequate. I am in a position to confirm this statement, in measure, because it has frequently become necessary for this office to furnish assistance in the matter of interpreters. This is also true with reference to the work of translating the records for appeals to the supreme court. In view of the fact that the translating force of this office has been reduced by the last appropriation bill, I am not in a position to respond to these requests without inconvenience and hardship. This complaint can be overcome by employing a better class of interpreters and translators. My experience is that a better class is available and that the expenditure of a small extra amount of money will put the clerical force of the court on a proper basis.

III.—COURTS OF FIRST INSTANCE FOR THE PROVINCES.

The following table contains the record of the courts of first instance throughout the archipelago, with the exception of the province of Paragua, on the following points: The number of civil and criminal cases on the docket at the beginning of the year; the number of civil and criminal cases filed during the year; the number of civil and criminal cases decided during the year; and the number of civil and criminal cases otherwise disposed of; also a statement of the condition of the docket at the end of the year. In addition to this the report covers a statement of the amount of money collected within the period under consideration.

Location.	Civil cases.				Criminal cases.				On docket Sept. 1, 1904.
	On docket Sept. 1, 1903.	Filed during year.	Decided during year.	Otherwise disposed of.	On docket Sept. 1, 1904.	On docket Sept. 1, 1903.	Filed during year.	Decided during year.	Otherwise disposed of.
Albay, Albay.....	70	131	100	36	65	281	291	464	26
Boac, Marinduque.....	18	4		11	11		14	5	7
Bongao, Siasi.....							3		3
Baguio, Benguet.....		6			6		17	11	6
Balanga, Bataan.....	52	20	16	19	37	133	87	80	20
Batangas, Batangas.....	25	27	15	7	30	99	290	182	81
Bayombong, Nueva Vizcaya.....	2						3		7
Bacolod, Occidental Negros.....	96	91	46	45	96	85	258	86	133
Bacolor, Pampanga.....	57	47	32	9	63	56	96	56	40
Bangued, Abra.....	31	31	33		29	21	21	15	3
Calapan, Mindoro.....	10	5	5	2	8	154	68	22	67
Catbalogan, Samar.....	7	5	1	4	36	86	154	61	73
Cottabato, Mindanao.....	7	5	5	5	25		16	11	10
Cagayan, Misamis.....	36	54	48	17	25	20	109	75	48
Capiz, Capiz.....	76	53	10	34	65	72	152	84	82
Cavite, Cavite.....	43	81	46	33	55	72	484	204	300
Cebu, Cebu.....	76	120	21	25	150	74	324	192	119
Cervantes, Lepanto-Bontoc.....	9	3	2	1	9	11	21	28	
Cuyo, Cuyo.....		6	3	2	1		14	13	
Dumaguete, Oriental Negros.....	17	9	6	8	12	66	46	71	
Dapitan, Mindanao.....							3	1	2
Davao, Mindanao.....							2	0	
Iba, Zambales.....	25	28	16	17	30	30	47	25	38
Iloilo, Iloilo.....	117	178	121	71	103	78	350	226	130
Iligan, Misamis.....	9	6	5	4	6	4	19	16	4
Iligan, Isabela.....	20	21	4	8	29	19	130	50	55
Jolo, Jolo.....		7	7				27	24	
Laong, Ilocos Norte.....	92	132	31	44	149	170	60	90	90
Lingayen, Pangasinan.....	114	109	57	17	149	48	375	158	219

It appears from the foregoing figures that on September 1, 1903, there were 103 civil cases pending in the supreme court and that on September 1, 1904, there were 216, more than double the number pending at the beginning of the year. The criminal docket, as disclosed by the above report, indicates an increase of 280 cases. It thus appears that the docket is now twice as large as it was a year ago. The clerk of the supreme court calls attention to several matters relating to the administration of his office, to which attention is specially called. His report in full is attached hereto and marked "Exhibit A."

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Fines received during year.....	1,485.00	2,445.76
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Location.	Civil cases.				Criminal cases.					
	On docket Sept. 1, 1903.	Filed during year.	Decided during year.	Otherwise dis- posed of.	On docket Sept. 1, 1904.	On docket Sept. 1, 1903.	Filed during year.	Decided during year.	Otherwise dis- posed of.	On docket Sept. 1, 1904.
Albay, Albay.....	70	131	100	36	65	281	291	464	26	82
Boac, Marinduque.....	18	4		11	11		14	5	7	2
Bongao, Siasi.....							3			3
Baguio, Benguet.....		6			6		17	11		6
Balanga, Bataan.....	52	20	16	19	37	133	87	80	20	120
Batangas, Batangas.....	25	27	15	7	30	99	280	182	81	126
Bayanbong, Nueva Vizcaya.....	2				2	7	3	3		7
Bacolod, Occidental Negros.....	96	91	46	45	96	85	238	86	133	124
Bacolor, Pampanga.....	57	47	32	9	63	76	96	56	40	76
Bangued, Abra.....	31	31	33		29	21	21	15	3	24
Calapan, Mindoro.....	10	5	5	2	8	154	68	22	67	133
Catbalogan, Samar.....	7	34	1	4	36	86	154	61	73	106
Cotabato, Mindanao.....	5	5	5	5		5	16	11	10	
Cagayan, Misamis.....	36	54	48	17	25	20	109	75	48	6
Capiz, Capiz.....	76	33	10	34	65	72	152	84	82	38
Cavite, Cavite.....	43	81	46	23	55	72	484	204	300	52
Cebu, Cebu.....	76	120	21	25	150	74	324	192	119	87
Cervantes, Lepanto-Bontoc.....	9	3	2	1	9	11	21	28		4
Cuyo, Cuyo.....		6	3	2	1		14	13		1
Dumaguete, Oriental Negros.....	17	9	6	8	12	66	46	71		41
Dapitan, Mindanao.....							3	1	2	
Davao, Mindanao.....						2	9	2	4	5
Iba, Zambales.....	25	28	16	17	30	30	47	25	38	14
Iloilo, Iloilo.....	117	178	121	71	103	78	350	226	130	72
Iligan, Misamis.....	9	6	5	4	6	4	19	16	4	3
Iligan, Isabela.....	20	21	4	8	29	19	130	50	55	44
Jolo, Jolo.....		7	7				27	24		3
Laoag, Ilocos Norte.....	92	132	31	44	149	170	60	90	90	50
Lingayen, Pangasinan.....	114	109	57	17	149	48	375	158	219	46

Location.	Civil cases.				Criminal cases.					
	On docket Sept. 1, 1903.	Filed during year.	Decided during year.	Otherwise dis- posed of	On docket Sept. 1, 1904.	On docket Sept. 1, 1903.	Filed during year.	Decided during year.	Otherwise dis- posed of	On docket Sept. 1, 1904.
Masbate, Masbate.....	5	17	7	5	10	80	37	85	11	21
Malolos, Bulacan.....	96	93	53	14	122	143	158	139	40	122
Nueva Caceres, Ambos Camarines	93	134	129	40	58	61	104	125	29	11
Pasig, Rizal.....	25	61	28	6	52	15	161	99	65	12
Romblon, Romblon.....	20	18	9	9	20	44	15	45	13	1
San Jose, Antique.....	40	11	9	15	27	100	20	30	19	71
Sorsogon, Sorsogon.....	15	22	11	11	15	3	101	40	18	46
Surigao, Surigao.....	9	27	15	9	12	.....	74	47	19	.....
San Isidro, Nueva Ecija.....	27	28	5	10	35	309	385	152	396	146
Santa Cruz, Laguna.....	48	102	61	62	27	68	415	133	256	94
San Fernando, Union.....	48	72	22	24	74	30	97	51	56	20
Tuguegarao, Cagayan.....	125	25	5	42	103	30	58	36	10	42
Tagbilaran, Bohol.....	16	5	11	5	5	59	36	53	28	14
Tarlac, Tarlac.....	83	67	21	20	109	33	175	109	69	30
Lucena, Tayabas.....	50	46	7	30	59	43	206	40	134	75
Tacloban, Leyte.....	57	94	2	4	145	22	211	127	16	90
Vigan, Ilocos Sur.....	102	78	11	9	160	305	115	33	38	349
Zamboanga, Zamboanga.....	6	34	21	5	14	8	70	41	37	.....
Total.....	1,882	2,117	1,057	729	2,213	2,946	5,906	3,640	2,805	2,407

Location.	Cash received.			
	In civil cases.		In criminal cases.	
	Philippine currency.	Local currency.	Philippine currency.	Local currency.
Albay, Albay.	P 1,395.30	P/s. 204.00	P 402.40	P/s. 180.90
Boac, Marinduque.	27.88	1,408.96	39.00	.....
Balanga, Bataan.	248.00	27.60	.....	5.49
Batangas, Batangas.	334.00	60.61	3,065.54	133.06
Bacolod, Occidental Negros.	104.67	.....	37.00	.....
Bacolod, Pampanga.	1,522.44	.....	1,316.94	.....
Bangued, Abra.	558.18	112.70	8.16	21.18
Calapan, Mindoro.	32.00	.....	160.00	.....
Catbalogan, Samar.	210.86	98.92	126.00	18.40
Cortabato, Mindanao.	80.00	.....	128.00	.....
Cagayan, Misamis.	512.00	27.20	1,072.40	.....
Capiz, Capiz.	1,238.06	44.80	583.70	.....
Cavite, Cavite.	2,042.10	96.63	130.03	672.98
Cebu, Cebu.	1,502.30	423.00	.....	144.00
Cervantes, Lepanto-Bontoc.	32.00	.....	256.00	.....
Cuyo, Cuyo.	56.00	.....	112.00	.....
Dumaguete, Oriental Negros.	368.00	.....	22.72	.....
Iba, Zambales.	6,469.72	95.45	61.90	.....
Iloilo, Iloilo.	4,253.90	578.69	92.00	85.00
Iligan, Misamis.	96.00	.....	8.00	.....
Iligan, Isabela.	96.00	56.40	6.04	112.12
Jolo, Jolo.	111.20	.....	.....	.....
Laong, Ilocos Norte.	2,619.85	241.37	864.00	268.53
Lingayen, Pangasinan.	2,609.15	130.59	5,236.00	.....
Masbate, Masbate.	144.00	.....	.....	.....
Malolos, Bulacan.	1,336.00	223.60	16.00	.....
Nueva Caceres, Ambos Camarines.	1,675.50	116.26	1,929.10	9.20
Pasig, Rizal.	1,127.16	31.26	802.00	15.17
Romblon, Romblon.	523.65	.....	1,469.30	.....
San Jose, Antique.	480.30	129.14	4.15	.....
Sorsogon, Sorsogon.	552.00	.....	528.00	.....
Surigao, Surigao.	384.00	.....	112.00	.....
San Isidro, Nueva Ecija.	292.00	.....	62.54	.....
Santa Cruz, Laguna.	2,659.80	1.96	68.60	1.16
San Fernando, Union.	1,536.76	295.05	203.98	67.60
Tuguegarao, Cagayan.	6,392.00	.....	6,577.36	.....
Tagbilaran, Bohol.	214.00	283.16	1,366.30	142.88
Tarlac, Tarlac.	1,087.81	.....	2,344.78	.....
Lucena, Tayabas.	592.00	137.20	180.34	77.38
Tacloban, Leyte.	544.00	.....	280.00	.....
Vigan, Ilocos Sur.	1,454.56	.....	696.00	.....
Zamboanga, Zamboanga.	940.35	.....	1,415.93	65.00
Total.	48,653.50	4,824.55	31,664.59	2,020.05

The totals of the foregoing report are as follows:

Civil cases on docket September 1, 1903.....	1,882
Civil cases filed during year.....	2,117
Civil cases decided during year.....	1,057
Civil cases otherwise disposed of.....	729
Civil case on docket September 1, 1904.....	2,213
Criminal cases on docket September 1, 1903.....	2,946
Criminal cases filed during year.....	5,906
Criminal cases decided during year.....	3,640
Criminal cases otherwise disposed of.....	2,805
Criminal cases on docket September 1, 1904.....	2,407
Costs received in civil cases:	
Philippine currency.....	P 48,655.50
Local currency.....	Pfs. 4,824.55
Costs received in criminal cases:	
Philippine currency.....	P 31,644.59
Local currency.....	Pfs. 2,020.05

According to this table there are now on the dockets in the courts of first instance for the provinces 431 civil cases more than there were at the beginning of the year, while in the criminal branch the records show there were 539 cases less on the docket at the end of the year than at the beginning of the year. It will be noticed that there has been a somewhat similar trend to the figures of the business of the courts in the provinces and in the city of Manila.

COURT OF LAND REGISTRATION.

Since the court of land registration has made a full report to you direct, I shall only inclose herewith the following short synopsis of the work of that court during the year ending August 31, 1904:

Number of cases on file September 1, 1903.....	144
Number of cases filed during year.....	833
Number of cases decided during year.....	221
Number of cases otherwise disposed of.....	15
Number of cases on docket September 1, 1904.....	977
Amount of costs received during year:	
Philippine currency.....	P 28,607.74½
Mexican and Spanish-Filipino currency.....	Pfs. 761.17

The full report is attached hereto and marked "Exhibit C."

COURT OF CUSTOMS APPEALS.

The operations of the court of customs appeals are disclosed by the following figures furnished by the clerk of said court. His report in full is attached hereto and marked "Exhibit D."

Cases on file at beginning of the year.....	17
Cases filed during the year.....	184
Total.....	201
Cases disposed of.....	159
As follows:	
By judgment of the court.....	152
By dismissal before trial, on motion of attorney-general.....	6
By dismissal before trial, on motion of the appellant.....	1
Cases pending before the court.....	42

PART SECOND.

OFFICE OF THE ATTORNEY-GENERAL.

For a period of eight months of the year covered by this report the bureau of justice was in charge of the solicitor-general, Hon. Gregorio Araneta, as acting attorney-general.

I shall discuss the work of the bureau under three heads, giving in the first place a summary of the work done by the bureau in Manila; in the second place a discussion of the operations of the office outside of Manila, including an account of the condition of business in the provinces; and in the third place an account of the trial of some cases which have been heard and finally determined by the courts of last resort and finally passed upon.

I.

Written opinions rendered by the attorney-general to the chief executive, the heads of the four executive departments, chiefs of bureaus, and other officials.....	537
Cases in the supreme court disposed of by brief and argument.....	316
Cases in the supreme court disposed of by motion, etc.....	85
Suits against the United States, or officers of the Army or Navy, receiving attention.....	5
Petitions for pardon passed upon.....	776
Permanent appointments of employees in the bureau of justice.....	77
Temporary appointments of employees in the bureau of justice.....	24
Official communications written or receiving the attention of the office and disposed of, other than opinions, cases, pardons, and appointments.....	2,974
Cases disposed of in the court of land registration after trial.....	58
Cases disposed of in the court of land registration without trial.....	133

II.

The reports submitted to me by Mr. James Ross, supervisor of fiscals; and Mr. George R. Harvey, assistant attorney-general for the Philippine constabulary, which are attached hereto and marked "Exhibits E and F," and the foregoing statistics which have been furnished by the clerks of the courts of the provinces, disclose a situation with reference to three branches of the service which I desire to call to the attention of the head of the department. Attention is invited to those parts of said reports which relate, first, to the provincial fiscal; second, to the justice of the peace; and third, to the constabulary officer. The work of these three officials is very closely related, and their cooperation is essential to the successful administration of justice in the provinces. An analysis of the foregoing statistics relating to the business of the courts of first instance for the provinces shows that of the 6,445 cases disposed of 2,805 were dismissed. In other words, 43.50 per cent of all the cases brought were dismissed without a trial. In addition to this information I have asked the clerks of the courts of first instance for a statement showing the number of acquittals and convictions in the cases that were actually tried. I have received answers from 30 of the 49 provinces. These statements show that of the 56.50 per cent of the total number of cases filed which were actually tried 35 per cent were acquitted and 65 per cent convicted. To state the case in another way, in all the cases disposed of during the year there were convictions in 37 per cent, and 63 per cent were either dismissed or lost to the government. The report of the prosecuting attorney for the city of Manila shows that in the court of first instance for Manila there were convictions in 68 per cent of the cases instituted, acquittals in 22 per cent, and dismissals in 10 per cent.

The supervisor of fiscals, in his report attached hereto, in discussing this phase of the service, makes the following remarks:

I have found these officials (fiscals), as a rule, performing the duties of their office in a reasonably satisfactory manner, and in some cases with a high degree of efficiency. The greatest fault I have observed in the work of the fiscals is that they consume too much of the time of the courts in presenting cases which should never have been brought to trial, and in which a careful investigation would have shown that an acquittal must result. They also, I find, file a large number of informations without a sufficient preliminary investigation, which, when the cases come to trial, they are obligated to dismiss. As a rule they are not as careful and painstaking as they should be in preparing their cases for trial, and as a result are frequently surprised by the testimony of their witnesses, and lose cases where convictions should be secured, and could be by careful study and preparation before going to trial. I have endeavored by counsel, advice, and example where I have had an opportunity to take an active part in trials, to correct these faults, and I think I may say that I have met with a fair degree of success.

The practices with which I here have occasion to find fault are due to several causes, the principal ones being: (1) Lack of a perfect understanding of the new criminal procedure; (2) in some cases failure to exercise the highest degree of diligence and industry; and (3), the ignorance and inefficiency of a great many justices of the peace, who hold preliminary examinations and forward to the provincial fiscals voluminous reports in a great many cases where there is no legal foundation for criminal complaints, or where the evidence is insufficient, when presented to the court of first instance, to warrant convictions. It must be said, however, that notwithstanding the ignorance and inefficiency of the justices of the peace in these matters, the fiscals could, by exercising a greater degree of diligence in examining the records sent up to them, and by conducting investigations on their own account, save a great deal of the time of the courts and avoid the loss of prestige in the public mind on account of such a large list of dismissals and acquittals as frequently results from sessions of the courts of first instance in the various provinces.

It appears from the information contained in the reports attached hereto, and from our general experience, that the working of the present system of justices of the peace is far from satisfactory. The supervisor of fiscals, in his report, discusses this branch of the service in the following language:

I have heretofore in this report referred to the incompetency and ignorance of many of the justices of the peace. Instead of "many" I could have said "most," and might even have employed a stronger term. * * * Sometimes, and only too frequently, in addition to their ignorance, these justices are found to be either grossly dishonest or else under the influence of a sharp and tricky secretary or "consultor," as he is sometimes styled, who, from his superior education and intelligence, dominates the justice of the peace, exercises a strong influence, and preys upon the wretched inhabitants of the community. With these men the motto in all too many cases is, "A public office is a public graft," and they prey upon the poor people of the country like wild beasts.

I trust I may not be charged with drawing too lurid a picture of this evil. My endeavor is to state only the facts as they have come to my knowledge, not only during the last year, but in several years' previous experience in these islands. It is true that a close and careful supervision of these justices by the provincial authorities, including the governor and the fiscal, would result in a marked improvement; but such supervision is often impracticable and even impossible, owing to the wide territorial extent of the provinces, the lack of communication, and the manifold occupations and duties of the provincial officials. * * * The remedy for the justice-of-the-peace evil, in my opinion, is as follows: Divide each province into groups of pueblos, formed into convenient districts. Appoint to these districts, after a careful scrutiny of their character and qualifications (it might even be well to make the appointment subject to examination), men of known intelligence, education, and standing in their respective communities, under salary or an allowance of fees which would enable them to give their time to the performance of their duties without serious detriment to their private interests.

On the work of the constabulary officials in the provinces in connection with prosecutions, I desire to call attention to the comments of Mr. Harvey, found on page 8 of his report, attached hereto. In conclusion, he says:

I desire to state that in my work in the provinces I have observed that the "bond of union" between the provincial fiscal and the officers of the constabulary is not always as

strong as it should be; in fact, their misconception of their respective duties leads each to wrong conclusions as to the conduct of the other, and often brings them into open conflict. This is largely true also as between the constabulary officers and the justices of the peace. On the one hand, the constabulary officers are usually more accustomed to the military procedure in criminal matters, and often do not understand the requirements of the law under a civil government; on the other hand, the fiscals and the justices of the peace, if they have any training at all, are accustomed to the Spanish methods of procedure, and it is difficult for them to become acquainted with the new way of doing things.

RECOMMENDATIONS.

It will be observed from the foregoing report and statistics that the public service in the provinces needs reenforcement in three branches, namely, fiscals, justices of the peace, and constabulary officers. While the fiscals only come under the jurisdiction of this bureau, yet these officials are so interdependent in the performance of their duties that the full cooperation of all is essential to the success of each. It is impossible to discuss the work of any one of the foregoing branches of the service without considering the others. Hence, in making my recommendations on the needs of the provincial fiscals I will naturally touch upon and, in a measure include, the justices of the peace and the constabulary officers. I assume that the Commission will at an early date take steps to reform the present justice-of-the-peace system. The demand for this is universal. After talking with the judges of the courts of first instance from the provinces and the traveling representatives of this office, as well as with some of the provincial governors, I am convinced that no one who has not been in the provinces and come in actual contact with the people and with the operations of the justice courts can form any adequate conception of the extent of the abuses of the present justice-of-the-peace system. It is said that the case against the present justices can not be overstated. While it does not come within my province to recommend what plan of reform should be adopted, I take the liberty of commending to your consideration the suggestions of the supervisor of fiscals, which I find are in accord with the recommendations of a large number of the judges of the courts of first instance in the provinces.

In order that the service of the provincial fiscals may be improved, I desire to recommend that the policy, formerly instituted, of affording the provincial fiscal systematic instruction in the performance of the duties of his office be given a wider scope and carried out with more system and thoroughness than it has in the past. It will be remembered that the purpose of the government in creating the offices of supervisor and deputy supervisor of fiscals, and appointing Americans to fill them, was to undertake in a systematic way the education of the provincial fiscal, who is almost invariably a Filipino, in the new methods of procedure and in the performance of the general duties of his office. The history of the work of this bureau discloses the fact that while the men who have filled these offices have accomplished much important work for the government, yet they have not performed the real functions of the offices to which they were appointed. Lieut. Grant T. Trent, now judge, and Mr. James Ross, the present incumbent, have been little more than traveling inspectors for the civil governor. Their reports to this office prove this. It should be stated that they have tried many important cases, as have the deputy supervisor of fiscals and the assistant

attorney-general for the Philippine constabulary. It is not my purpose to complain of the foregoing facts. The course pursued grew out of the situation, and was unavoidable. It is hoped, however, that the business of the islands has now reached a stage where these men may devote their time to schooling the above-named officials in the general duties of their offices.

My idea is to place four men in the field regularly, whose duty it shall be to assist and instruct the fiscal in the work of preparing and dispatching the entire body of the business that comes into his office, instead of devoting their time, as formerly, to trying important cases and making special investigations. I would suggest that they be assigned, for the sake of convenience, to each of the four constabulary districts north of Mindanao. (It would be well to include in the district of the Visayas the provinces of northern Mindanao, which are now under civil government.) We now have three men whose time might be devoted regularly to this work, namely, Messrs. James Ross, Edmond Block, and George R. Harvey. In order to execute this plan fully and satisfactorily, in my judgment one more American lawyer should be added to the force. Each of these men of course should report directly to this office, and special attention should be given to this branch of the work by the head of the bureau.

In the first place it would be well to issue a manual or circular letter to the provincial fiscals setting out the elementary principles of procedure and giving general directions for the management of their offices. I would also recommend that a special circular letter be prepared by the assistant attorney-general for the constabulary and sent out by the chief of the constabulary giving directions in detail to the provincial constabulary officers on their duties in the matter of making arrests and in assisting the fiscals and justices of the peace in procuring the necessary witnesses in all cases. While they have received general orders to cooperate with the fiscals in making prosecutions, in my opinion they should receive special instructions on the above-mentioned points. They are in a position to know who the material witnesses are and this information is of great value to the fiscal and should be gathered with care and given to him freely. In the third place I would suggest that after the present justice-of-the-peace system has been reformed and a new law of procedure adopted therefor a manual of instructions be issued to the justices of the peace of the archipelago.

However, the work needed to be done can not be accomplished by merely sending out written instructions from this and other bureaus. It is necessary for American fiscals of experience to go into the provinces and institute a campaign of education among the three branches of the service above mentioned which will be regular systematic, and persistent. I know of no other way to overcome the abuses which inhere in the present system. Of course if it were possible for the Commission to so change the system as to attract good men to this branch of the service, most of the abuses complained of would be eliminated by the new justices on their own initiative.

The foregoing policy, if carefully worked out, should yield indirect results which would materially benefit the service. It should enable us to remove one of the most serious flaws in our present system of administering justice in the provinces. I refer to the present practice

of requiring witnesses to attend court without even so much as furnishing them fees for subsistence during the time used in attending court and in going to and from their homes. The reason why this practice exists is because under the present system so many witnesses are subpoenaed, many of whom are useless, that it would bankrupt the provinces to pay them a reasonable fee. This system was in vogue during the Spanish time and the law on the subject has not been changed under American rule. The result is, the people look upon it as a continuation of one of the abuses of the old régime. It can not but have a detrimental effect upon the entire administration of justice throughout the archipelago. It results in prejudicing the people against the government generally, and against the courts in particular, in addition to placing a serious obstacle in the way of efficient administration of justice. This is not fair to the people and we should not deceive ourselves by believing that they do not have a full recognition and appreciation of the fact. Furthermore, on account of the hardship and injustice resulting from this practice, many good people will not make known to the government officials many criminal acts which come within their observation. Far from giving information and offering assistance to the government in the work of apprehending and punishing criminals, there is a marked disposition to conceal a knowledge of criminal acts and to evade the processes of the court, on account of the hardships and injustices to which they are subjected by the above-mentioned practice.

On this subject* the supervisor of fiscals makes the following remarks:

During the year I have attended a good many sessions of court, and this difficulty (lack of statutory provision for the payment of the expenses of traveling and subsistence incurred by witnesses attending court) has always been present to deal with. It is not due to any disrespect for the courts, on the part of the people of the country. The trouble is that the vast majority of the people subpoenaed as witnesses are extremely poor. It frequently happens that they are required to travel long distances to reach the capital—no transportation is available and they are obliged to come on foot from remote districts over roads which generally are not in the best condition and which in the rainy season are almost impassable, and all this without any means of defraying their traveling expenses or of maintaining themselves after their arrival at the capital. I have known of cases where people who were possessed of some small means, or who were able to borrow some money, have gone to large expense in hiring transportation in order to obey subpoenas, which expense practically bankrupted them and all their friends from whom they could borrow money.

There are many cases in which these people are absolutely unable to pay their expenses, and they either come to the capital in a half-starving condition, or else are obliged to depend upon the charity of the people en route. I do not believe that I have overdrawn my statements in regard to this matter, and from experience gained in traveling about the archipelago almost continually during the year, I can say that the conditions above stated are practically the same in all the provinces I have visited. * * * I most earnestly recommend this subject to your consideration.

I, in turn, desire to urge the Commission to give this subject consideration at the earliest possible date. This testimony of the supervisor of fiscals is corroborated by practically all of the judges of the courts of first instance in the provinces and all of the prosecuting officials who have been sent out by this office. Mr. Ross suggests that legislation be enacted authorizing the provincial board, on the certificate of the presiding judge and the fiscal, to meet the actual and necessary traveling expenses and subsistence of witnesses. I concur in this recommendation, at least as a temporary expedient. I believe that a small outlay of money would go far toward overcoming

this serious obstacle in the way of the administration of justice in these islands. As above stated, it is believed that the four men detailed from this office to take charge of the work above outlined would yield marked results in a short period in the way of reducing the number of witnesses subpoenaed to testify in the courts of first instance.

If the facilities for transportation were better the work above outlined might be done by three men, but under the present conditions I do not believe that three men can accomplish all that should be done. I think it would be well for the head of the bureau to make occasional trips to the provinces for the purpose of acquainting himself, in a general way, with the conditions as they exist there. This would have the further effect of bringing this bureau into closer touch with the provincial officials, which would naturally foster a spirit of cooperation between the two branches of the service.

I repeat that there is no disposition to find fault with the policy hitherto adopted by the civil governor with reference to using the representatives of this office for making special investigations in the provinces. I wish to suggest, however, that if the foregoing plan meets with the approval of the Commission the representatives of this office could still be used by the civil governor in making his investigations without materially affecting their work, if called upon to make them in their respective districts. The practice, however, of taking the supervisor of fiscals from one part of the archipelago to another for the purpose of making special investigations is fatal to the performance of the duties of his office as provided by law. Hence it will be seen that the cooperation of the civil governor is essential to the successful prosecution of the foregoing scheme. The suggestion that another man be added to the force of this bureau is made with the full realization of the condition of the insular treasury. I had hoped to accomplish this work without asking for help, but I find the business of the bureau increasing rapidly and it will be impossible for me to meet the demands of the situation in the provinces as I think they should be met with my present force. The foregoing policy is recommended on the grounds of economy as well as efficiency.

III.

During the year that has just ended a number of important cases have been decided by the courts of last resort which affect materially the administration of justice in these islands. The questions involved in these cases were:

First. The double jeopardy principle.

Second. The right of trial by jury in the Philippine Islands.

Third. The fixing of the standard of legal ethics in the islands.

In the cases of *Thomas E. Kepner v. The United States*, and *Secundino Mendezona v. The United States*, the Supreme Court of the United States gave judicial interpretation to that section of the Philippine government act which provides that "no person shall for the same offense be put twice in jeopardy or punishment." Under the Spanish law which was in force in these islands prior to the passage of the Philippine government act of July 2, 1902, the government, as well as the accused, had the right of appeal from judgments of the courts of first instance in criminal cases. In the above-mentioned

cases the appellants had been acquitted by the trial court and convicted in the supreme court of the islands. The appeal was taken to the Supreme Court of the United States on the ground that the decision of the supreme court of the islands was in violation of the provisions of the act of Congress above quoted. The government's position in this litigation was that the Supreme Court of the United States in interpreting the provision of the act of Congress in question should invoke the following canon of construction: It must be presumed that Congress, in passing the Philippine government act, was familiar with the local laws in the Philippine Islands and the judicial interpretation they had received at the hands of the supreme court of the islands, and that it legislated with special reference thereto. Under the Spanish law jeopardy did not end until after the supreme court had heard and passed upon the case. Hearing by the court of first instance and the supreme court were parts of one single and continuous trial. Mr. Justice Brown, in his dissenting opinion, made the following clear and vigorous statement of the Government's position in this case:

I think that in applying the principle to the Philippine Islands, Congress intended to use the words in the sense in which they had theretofore been understood in those islands. By that law, in which trial by jury was unknown, the jeopardy did not terminate if appeal were taken to the audiencia or supreme court until that body had acted upon the case. The proceedings before the court of first instance were in all important cases reviewable by the supreme court upon appeal, which finally acted upon the case and terminated the jeopardy. This was evidently the view of the military commander in General Orders, No. 58, and of the Philippine Commission in the act of August 10, 1901 (No. 194), in both of which an appeal to the supreme court was contemplated, even after a judgment of acquittal. * * * It seems to me impossible to suppose that Congress intended to place in the hands of a single judge the great and dangerous power of finally acquitting the most notorious criminals.

On the other hand, it was contended by the appellants that the statute should receive the same interpretation in this instance that similar statutes had always received from English and American judiciaries. Mr. Justice Day, who wrote the opinion of the court, stated the proposition in the following language:

In order to determine what Congress meant in the language used in the act under consideration, "No person for the same offense shall be twice put in jeopardy of punishment," we must look to the origin and source of the expression and the judicial construction put upon it before the enactment in question was passed. A consideration of the events preceding this regulation makes evident the intention of Congress to carry some at least of the essential principles of American constitutional jurisprudence to these islands and to engraft them upon the law of this people, newly subject to our jurisprudence.

The question whether Congress had the right to extend or to withhold from the Philippine Islands the right of trial by jury was determined by the Supreme Court of the United States in the case of *Edward F. O'Brien and Fred L. Dorr v. The United States*; or to state the proposition in a different way, did the right of trial by jury exist in the Philippine Islands after the date of the ratification of the treaty of Paris, irrespective of the act of Congress, or was it necessary for Congress to give the right by a special act? The foregoing gentlemen were the editor and proprietor of the *Manila Freedom*, a newspaper published and circulated in Manila. They were arrested on the charge of criminal libel. Their motion for a jury trial was denied by the trial court and the supreme court of these islands. An appeal was thereupon taken to the Supreme Court of the United States. Under the Spanish law in the Philippine Islands trials were conducted

by judges. Trial by jury was unknown. The law on the subject in the Philippine Islands has never been changed. The case was decided adversely to the contention of the plaintiffs in error by a vote of eight to one—Mr. Justice Harlan alone dissenting. This decision laid down the rule of constitutional interpretation with reference to our insular possessions, and in a large measure fixed the legal status of the Philippine Islands. Mr. Justice Day, in delivering the opinion of the court, used the following language:

If the right to trial by jury were a fundamental right which goes wherever the jurisdiction of the United States extends, or of Congress, in framing laws for outlying territory belonging to the United States was obliged to establish that system by affirmative legislation, it would follow that, no matter what the needs or capacities of the people, trial by jury, and in no other way, must be forthwith established, although the result may be to work injustice and provoke disturbance rather than to aid the orderly administration of justice. If the United States, impelled by its duty or advantages, shall acquire territory peopled by savages, and of which it may dispose or not hold for ultimate admission to statehood, if this doctrine is sound, it must establish there the trial by jury. To state such a proposition demonstrates the impossibility of carrying it into practice. Again, if the United States shall acquire by treaty the cession of territory having an established system of jurisprudence, where jury trials are unknown, but a method of fair and orderly trial prevails under an acceptable and long-established code, the preference of the people must be disregarded, their established customs ignored, and they themselves coerced to accept, in advance of incorporation into the United States, a system of trial unknown to them and unsuited to their needs. We do not think it was intended in giving power to Congress to make regulations for the territories, to hamper its exercise with this condition.

It will be observed that in its last analysis the proposition here laid down is that while there are some fundamental restrictions and prohibitions contained in the Constitution which are universal in their application and which can not be transcended by Congress at any time or place or under any circumstances, yet there are other restrictions which are not fundamental in their nature, such as those which relate to methods of procedure and forms of trial which do not necessarily restrict Congress in legislating for the unorganized territories of the United States. It is held in this case that the right of trial by jury is not a fundamental right and that Congress in legislating for the islands may withhold it if it sees proper. As stated before, Mr. Justice Harlan alone combatted the foregoing proposition. For a long period of years he has held a different view from that expressed in the opinion of Mr. Justice Day, and in the course of his dissenting opinion he stated his position in the following language:

I do not believe now any more than I did when *Hawaii v. Mankichi* (190 U. S., 197) was decided, that the provisions of the Federal Constitution as to grand and petit juries relate to mere methods of procedure and are not fundamental in their nature. In my opinion, guaranties, for the protection of life, liberty, and property, as embodied in the Constitution, are for the benefit of all, of whatever race or nativity, in the States composing the Union, or in any territory, however acquired, over the inhabitants of which the Government of the United States may exercise the powers conferred upon it by the Constitution.

The Constitution declares that no person, except in the land or naval forces, shall be held to answer for a capital or otherwise infamous crime, except on the presentment or indictment of a grand jury, and forbids the conviction, in a criminal prosecution, of any person, for any crime, except on the unanimous verdict of a petit jury composed of twelve persons. Necessarily, that mandate was addressed to every one committing crime punishable by the United States. This court, however, holds that these provisions are not fundamental and may be disregarded in any territory acquired in the manner the Philippine Islands were acquired, although, as heretofore decided by this court, they could not be disregarded in what are commonly called the organized territories of the United States. (*Thompson v. Utah*, 170 U. S. 343.) I can not assent to this interpretation of the Constitution.

The merits of the case were also passed upon, and the court held that the publications complained of, which consisted of mere headlines, was libelous.

In November, 1902, disbarment proceedings were instituted against two members of the Manila bar, Augustus A. Montague and Frank E. Dominguez, who constituted the firm of Montague & Dominguez. The petition was based upon eleven charges. The attorney-general assisted the supreme court in making the investigation in compliance with the provisions of the Code of Civil Procedure. The essence of the charges was that respondents entered into contracts of employment with their clients and collected fees from them, and abandoned their cases without rendering a quid pro quo. The investigation covered a period of nearly one year. Respondents were ably represented by a number of Manila lawyers. After a full hearing the supreme court of the islands dismissed seven charges and based its findings on the remaining four. By a unanimous decision of the court the respondents were suspended from the practice of their profession as lawyers in the islands for a term of one year.

Very respectfully,

L. R. WILFLEY,
Attorney-General.

The SECRETARY OF FINANCE AND JUSTICE,
Manila, P. I.

EXHIBIT A.

OFFICE OF THE CLERK,
SUPREME COURT OF THE PHILIPPINES,
Manila, P. I., October 21, 1904.

The ATTORNEY-GENERAL OF THE PHILIPPINE ISLANDS,
Manila, P. I.

SIR: In compliance with section 77 of Act 136, I have the honor to submit the following report concerning the business done in this court during the year ending September 1, 1904:

Number of cases pending September 1, 1903:	
Civil.....	103
Criminal.....	236
Number of cases filed during year ending September 1, 1904:	
Civil.....	189
Criminal.....	486
Number of cases decided during said year in which opinions have been filed:	
Civil.....	57
Criminal.....	176
Number of cases otherwise disposed of:	
Civil.....	19
Criminal.....	30
Number of cases pending September 1, 1904:	
Civil.....	216
Criminal.....	516
Changes among supreme court judges, resignations.....	2
Number of applicants for admission to the bar:	
Americans.....	34
Filipinos.....	113
Number who passed the bar examination:	
Americans.....	24
Filipinos.....	62
Number of cases "ready for argument" on September 1, 1904:	
Civil.....	35
Criminal.....	180
Fees received during said year:	
Local currency.....	\$1,266.76
Philippine currency.....	P7,792.44

The library contains nearly 5,000 books, about 1,700 of which were added this year. The space at present available is insufficient. The two contiguous rooms now temporarily occupied by the old records of this court could be devoted to the library; this would furnish ample room for the books recently received and those yet to come and for which requisition has been made. As to the old records in question, the court never refers to them, and we are very seldom called upon to issue copies thereof. Arrangements are now being made for the removal of these records to the "Postigo Jail," back of the audiencia building.

The taxation of costs in criminal cases, under the present system, involves a considerable amount of unnecessary work. We are governed in this respect, under a ruling of the acting attorney-general, by the old Spanish tariff, which is rather complex and anything but practical. On January 1, 1904, there were nearly 300 criminal cases tried by this court in which no costs had ever been taxed. Two of the clerks of this office have been at work on the taxation of these costs since the court adjourned, on April 25, and there is still a large number of cases undisposed of. The taxation of costs as made by the clerk is referred to the attorney-general for his examination and report, and then submitted to the court for its approval. The government is in most every instance the only one interested. In none of these cases have attorneys filed their bills of costs. Defendants in most of the criminal cases appealed to this court are represented by attorneys "de oficio," appointed to defend them upon either proof or presumption of their inability to employ a lawyer.

It is believed that if the provisions of section 1 of Act 302 were made to apply to the clerk of the supreme court, thereby fixing a uniform fee in all cases, the work would be greatly simplified without prejudice to the parties concerned. The clerk's fees under the tariff in question average about what is now charged in civil cases under Act 150.

The opinions of the supreme court.—Under section 37, Act 136, the opinions of this court once recorded in the "Opinion Book" are delivered to the reporter, to be retained by him as a part of the files of his office.

It is believed, following the rule of the Supreme Court of the United States, that the original opinions of this court should be preserved and kept by the clerk and copies thereof furnished the reporter immediately after they are recorded. And it is accordingly suggested that the repeal of the said section be recommended and the following substituted:

"SEC. —. All opinions delivered by the supreme court shall, immediately upon the delivery thereof, be handed to the clerk to be recorded. And it shall be the duty of the clerk to cause the same to be forthwith recorded, and to deliver a copy to the reporter as soon as the same shall have been recorded.

"The original opinions of the court shall be filed with the clerk for his preservation."

Nowhere can the opinions of the court be more secure than in the clerk's office. Although an officer of the court, the reporter may have his office where it will best suit his convenience.

It is also believed that the "Opinion Book" could be safely dispensed with, in which case the proposed section could be changed to read as follows:

"SEC. —. All opinions delivered by the supreme court shall, immediately upon the delivery thereof, be filed with the clerk for his preservation. And it shall be the duty of the clerk to deliver a copy to the reporter as soon as the same shall have been so filed.

"The clerk shall reasonably cause the original opinions delivered by the court to be conveniently indexed and bound."

This would obviate the necessity of devoting one "escribiente" exclusively to the keeping of this book and the consequent delay in delivering original opinions to the reporter, and the system would be more satisfactory in every respect.

Bills of exceptions.—With the promulgation of Act 1123 the expense of printing bills of exceptions has been considerably diminished. The act has fully accomplished its object. However, if the clerk were authorized to call for bids and have the work done under contract, expenses could be still further reduced. The printing is now done by three different plants in this city at various rates. Our books show that about ₱4,000 have been paid out by this office during the six months ending June 30, 1904, for the printing of bills of exceptions.

Bond.—Section 21 of Act 136 provides that before entering upon the performance of his duties the clerk of this court shall execute a bond to the government of the Philippine Islands in the penal sum of ₱10,000, etc. The amount appears to be excessive. The government pays two-thirds of the premium. It is believed that it could be safely reduced to six thousand at least.

No recommendation is made in this report concerning other important changes, such as amendments to the rules, etc., the same being entirely within the jurisdiction of this court.

Very respectfully,

J. E. SHAW,

Clerk of the Supreme Court of the Philippine Islands.

cases the appellants had been acquitted by the trial court and convicted in the supreme court of the islands. The appeal was taken to the Supreme Court of the United States on the ground that the decision of the supreme court of the islands was in violation of the provisions of the act of Congress above quoted. The government's position in this litigation was that the Supreme Court of the United States in interpreting the provision of the act of Congress in question should invoke the following canon of construction: It must be presumed that Congress, in passing the Philippine government act, was familiar with the local laws in the Philippine Islands and the judicial interpretation they had received at the hands of the supreme court of the islands, and that it legislated with special reference thereto. Under the Spanish law jeopardy did not end until after the supreme court had heard and passed upon the case. Hearing by the court of first instance and the supreme court were parts of one single and continuous trial. Mr. Justice Brown, in his dissenting opinion, made the following clear and vigorous statement of the Government's position in this case:

I think that in applying the principle to the Philippine Islands, Congress intended to use the words in the sense in which they had theretofore been understood in those islands. By that law, in which trial by jury was unknown, the jeopardy did not terminate if appeal were taken to the audiencia or supreme court until that body had acted upon the case. The proceedings before the court of first instance were in all important cases reviewable by the supreme court upon appeal, which finally acted upon the case and terminated the jeopardy. This was evidently the view of the military commander in General Orders, No. 58, and of the Philippine Commission in the act of August 10, 1901 (No. 194), in both of which an appeal to the supreme court was contemplated, even after a judgment of acquittal. * * * It seems to me impossible to suppose that Congress intended to place in the hands of a single judge the great and dangerous power of finally acquitting the most notorious criminals.

On the other hand, it was contended by the appellants that the statute should receive the same interpretation in this instance that similar statutes had always received from English and American judiciaries. Mr. Justice Day, who wrote the opinion of the court, stated the proposition in the following language:

In order to determine what Congress meant in the language used in the act under consideration, "No person for the same offense shall be twice put in jeopardy of punishment," we must look to the origin and source of the expression and the judicial construction put upon it before the enactment in question was passed. A consideration of the events preceding this regulation makes evident the intention of Congress to carry some at least of the essential principles of American constitutional jurisprudence to these islands and to engraft them upon the law of this people, newly subject to our jurisprudence.

The question whether Congress had the right to extend or to withhold from the Philippine Islands the right of trial by jury was determined by the Supreme Court of the United States in the case of *Edward F. O'Brien and Fred L. Dorr v. The United States*; or to state the proposition in a different way, did the right of trial by jury exist in the Philippine Islands after the date of the ratification of the treaty of Paris, irrespective of the act of Congress, or was it necessary for Congress to give the right by a special act? The foregoing gentlemen were the editor and proprietor of the *Manila Freedom*, a newspaper published and circulated in Manila. They were arrested on the charge of criminal libel. Their motion for a jury trial was denied by the trial court and the supreme court of these islands. An appeal was thereupon taken to the Supreme Court of the United States. Under the Spanish law in the Philippine Islands trials were conducted

by judges. Trial by jury was unknown. The law on the subject in the Philippine Islands has never been changed. The case was decided adversely to the contention of the plaintiffs in error by a vote of eight to one—Mr. Justice Harlan alone dissenting. This decision laid down the rule of constitutional interpretation with reference to our insular possessions, and in a large measure fixed the legal status of the Philippine Islands. Mr. Justice Day, in delivering the opinion of the court, used the following language:

If the right to trial by jury were a fundamental right which goes wherever the jurisdiction of the United States extends, or of Congress, in framing laws for outlying territory belonging to the United States was obliged to establish that system by affirmative legislation, it would follow that, no matter what the needs or capacities of the people, trial by jury, and in no other way, must be forthwith established, although the result may be to work injustice and provoke disturbance rather than to aid the orderly administration of justice. If the United States, impelled by its duty or advantages, shall acquire territory peopled by savages, and of which it may dispose or not hold for ultimate admission to statehood, if this doctrine is sound, it must establish there the trial by jury. To state such a proposition demonstrates the impossibility of carrying it into practice. Again, if the United States shall acquire by treaty the cession of territory having an established system of jurisprudence, where jury trials are unknown, but a method of fair and orderly trial prevails under an acceptable and long-established code, the preference of the people must be disregarded, their established customs ignored, and they themselves coerced to accept, in advance of incorporation into the United States, a system of trial unknown to them and unsuited to their needs. We do not think it was intended in giving power to Congress to make regulations for the territories, to hamper its exercise with this condition.

It will be observed that in its last analysis the proposition here laid down is that while there are some fundamental restrictions and prohibitions contained in the Constitution which are universal in their application and which can not be transcended by Congress at any time or place or under any circumstances, yet there are other restrictions which are not fundamental in their nature, such as those which relate to methods of procedure and forms of trial which do not necessarily restrict Congress in legislating for the unorganized territories of the United States. It is held in this case that the right of trial by jury is not a fundamental right and that Congress in legislating for the islands may withhold it if it sees proper. As stated before, Mr. Justice Harlan alone combatted the foregoing proposition. For a long period of years he has held a different view from that expressed in the opinion of Mr. Justice Day, and in the course of his dissenting opinion he stated his position in the following language:

I do not believe now any more than I did when *Hawaii v. Mankichi* (190 U. S., 197) was decided, that the provisions of the Federal Constitution as to grand and petit juries relate to mere methods of procedure and are not fundamental in their nature. In my opinion, guaranties, for the protection of life, liberty, and property, as embodied in the Constitution, are for the benefit of all, of whatever race or nativity, in the States composing the Union, or in any territory, however acquired, over the inhabitants of which the Government of the United States may exercise the powers conferred upon it by the Constitution.

The Constitution declares that no person, except in the land or naval forces, shall be held to answer for a capital or otherwise infamous crime, except on the presentment or indictment of a grand jury, and forbids the conviction, in a criminal prosecution, of any person, for any crime, except on the unanimous verdict of a petit jury composed of twelve persons. Necessarily, that mandate was addressed to every one committing crime punishable by the United States. This court, however, holds that these provisions are not fundamental and may be disregarded in any territory acquired in the manner the Philippine Islands were acquired, although, as heretofore decided by this court, they could not be disregarded in what are commonly called the organized territories of the United States. (*Thompson v. Utah*, 170 U., S. 343.) I can not assent to this interpretation of the Constitution.

The merits of the case were also passed upon, and the court held that the publications complained of, which consisted of mere headlines, was libelous.

In November, 1902, disbarment proceedings were instituted against two members of the Manila bar, Augustus A. Montague and Frank E. Dominguez, who constituted the firm of Montague & Dominguez. The petition was based upon eleven charges. The attorney-general assisted the supreme court in making the investigation in compliance with the provisions of the Code of Civil Procedure. The essence of the charges was that respondents entered into contracts of employment with their clients and collected fees from them, and abandoned their cases without rendering a quid pro quo. The investigation covered a period of nearly one year. Respondents were ably represented by a number of Manila lawyers. After a full hearing the supreme court of the islands dismissed seven charges and based its findings on the remaining four. By a unanimous decision of the court the respondents were suspended from the practice of their profession as lawyers in the islands for a term of one year.

Very respectfully,

L. R. WILFLEY,
Attorney-General.

The SECRETARY OF FINANCE AND JUSTICE,
Manila, P. I.

EXHIBIT A.

OFFICE OF THE CLERK,
SUPREME COURT OF THE PHILIPPINES,
Manila, P. I., October 21, 1904.

The ATTORNEY-GENERAL OF THE PHILIPPINE ISLANDS,
Manila, P. I.

SIR: In compliance with section 77 of Act 136, I have the honor to submit the following report concerning the business done in this court during the year ending September 1, 1904:

Number of cases pending September 1, 1903:	
Civil.....	103
Criminal.....	236
Number of cases filed during year ending September 1, 1904:	
Civil.....	189
Criminal.....	486
Number of cases decided during said year in which opinions have been filed:	
Civil.....	57
Criminal.....	176
Number of cases otherwise disposed of:	
Civil.....	19
Criminal.....	30
Number of cases pending September 1, 1904:	
Civil.....	216
Criminal.....	516
Changes among supreme court judges, resignations.....	2
Number of applicants for admission to the bar:	
Americans.....	34
Filipinos.....	113
Number who passed the bar examination:	
Americans.....	24
Filipinos.....	62
Number of cases "ready for argument" on September 1, 1904:	
Civil.....	35
Criminal.....	180
Fees received during said year:	
Local currency.....	\$1,266.76
Philippine currency.....	17,792.44

The library contains nearly 5,000 books, about 1,700 of which were added this year. The space at present available is insufficient. The two contiguous rooms now temporarily occupied by the old records of this court could be devoted to the library; this would furnish ample room for the books recently received and those yet to come and for which requisition has been made. As to the old records in question, the court never refers to them, and we are very seldom called upon to issue copies thereof. Arrangements are now being made for the removal of these records to the "Postigo Jail," back of the audiencia building.

The taxation of costs in criminal cases, under the present system, involves a considerable amount of unnecessary work. We are governed in this respect, under a ruling of the acting attorney-general, by the old Spanish tariff, which is rather complex and anything but practical. On January 1, 1904, there were nearly 300 criminal cases tried by this court in which no costs had ever been taxed. Two of the clerks of this office have been at work on the taxation of these costs since the court adjourned, on April 25, and there is still a large number of cases undisposed of. The taxation of costs as made by the clerk is referred to the attorney-general for his examination and report, and then submitted to the court for its approval. The government is in most every instance the only one interested. In none of these cases have attorneys filed their bills of costs. Defendants in most of the criminal cases appealed to this court are represented by attorneys "de officio," appointed to defend them upon either proof or presumption of their inability to employ a lawyer.

It is believed that if the provisions of section 1 of Act 302 were made to apply to the clerk of the supreme court, thereby fixing a uniform fee in all cases, the work would be greatly simplified without prejudice to the parties concerned. The clerk's fees under the tariff in question average about what is now charged in civil cases under Act 150.

The opinions of the supreme court.—Under section 37, Act 136, the opinions of this court once recorded in the "Opinion Book" are delivered to the reporter, to be retained by him as a part of the files of his office.

It is believed, following the rule of the Supreme Court of the United States, that the original opinions of this court should be preserved and kept by the clerk and copies thereof furnished the reporter immediately after they are recorded. And it is accordingly suggested that the repeal of the said section be recommended and the following substituted:

"SEC. —. All opinions delivered by the supreme court shall, immediately upon the delivery thereof, be handed to the clerk to be recorded. And it shall be the duty of the clerk to cause the same to be forthwith recorded, and to deliver a copy to the reporter as soon as the same shall have been recorded.

"The original opinions of the court shall be filed with the clerk for his preservation."

Nowhere can the opinions of the court be more secure than in the clerk's office. Although an officer of the court, the reporter may have his office where it will best suit his convenience.

It is also believed that the "Opinion Book" could be safely dispensed with, in which case the proposed section could be changed to read as follows:

"SEC. —. All opinions delivered by the supreme court shall, immediately upon the delivery thereof, be filed with the clerk for his preservation. And it shall be the duty of the clerk to deliver a copy to the reporter as soon as the same shall have been so filed.

"The clerk shall sensibly cause the original opinions delivered by the court to be conveniently indexed and bound."

This would obviate the necessity of devoting one "escribiente" exclusively to the keeping of this book and the consequent delay in delivering original opinions to the reporter, and the system would be more satisfactory in every respect.

Bills of exceptions.—With the promulgation of Act 1123 the expense of printing bills of exceptions has been considerably diminished. The act has fully accomplished its object. However, if the clerk were authorized to call for bids and have the work done under contract, expenses could be still further reduced. The printing is now done by three different plants in this city at various rates. Our books show that about ₱4,000 have been paid out by this office during the six months ending June 30, 1904, for the printing of bills of exceptions.

Bond.—Section 21 of Act 136 provides that before entering upon the performance of his duties the clerk of this court shall execute a bond to the government of the Philippine Islands in the penal sum of ₱10,000, etc. The amount appears to be excessive. The government pays two-thirds of the premium. It is believed that it could be safely reduced to six thousand at least.

No recommendation is made in this report concerning other important changes, such as amendments to the rules, etc., the same being entirely within the jurisdiction of this court.

Very respectfully,

J. E. SHAW,

Clerk of the Supreme Court of the Philippine Islands.

EXHIBIT B.

MANILA, September 26, 1904.

Hon. L. R. WILFLEY,

Attorney-General of the Philippine Islands, Manila.

SIR: In compliance with the provisions of Act 136, I have the honor to submit the following report:

CIVIL BRANCH.

Number of civil cases on file September 1, 1903.....	442
Number of civil cases filed during the year beginning September 1, 1903, and ending September 1, 1904.....	850
Number of civil cases decided during the year beginning September 1, 1903, and ending September 1, 1904.....	287
Number of civil cases dismissed on motion of plaintiff during the year beginning September 1, 1903, to September 1, 1904.....	49
Number of civil cases on docket September 1, 1904.....	956
Increase over September 1, 1903.....	514

CRIMINAL BRANCH.

Number of criminal cases on file September 1, 1903.....	82
Number of criminal cases filed during the year beginning September 1, 1903, and ending September 1, 1904.....	649
Number of criminal cases decided during the year beginning September 1, 1903, and ending September 1, 1904.....	498
Number of criminal cases dismissed on motion of the prosecuting attorney during the year beginning September 1, 1903, to September 1, 1904.....	75
Number of criminal cases on docket September 1, 1904.....	731
Increase over September 1, 1903.....	158

PROBATE DIVISION.

Number of probate cases on file September 1, 1904.....	337
Number of probate cases filed during the year beginning September 1, 1903, and ending September 1, 1904.....	210
Number of probate cases disposed of during the year beginning September 1, 1903, and ending September 1, 1904.....	88
Number of probate cases pending September 1, 1904.....	459

Revenue.

	Pfs.	Pesos.
Civil cases:		
Costs received during the year beginning Sept. 1, 1903, to Sept. 1, 1904.....	1,652.63	16,292.77
Criminal cases:		
Costs received during the year beginning Sept. 1, 1903, to Sept. 1, 1904.....	101.48	534.87
Fines and bailis forfeited:		
Fines received during the year beginning Sept. 1, 1903, to Sept. 1, 1904.....	1,485.00	2,445.76
Bailis forfeited during the year beginning Sept. 1, 1903, to Sept. 1, 1904.....	665.00	6,000.00
Total.....	3,844.11	25,273.40

An examination of the foregoing statement showing the business transacted by this court during the year 1903-4, as compared with those of the preceding years, shows an increase in civil as well as in criminal litigation of nearly 100 per cent. The nature of civil cases filed during the period covered by this report were, to a great extent, suits on promissory notes, foreclosures of mortgages, and cases arising out of misinterpretation of contracts. Ex delicto cases are almost unknown.

The numerous prosecutions brought during the years 1903 and 1904 under the treason and sedition acts were the cause of swelling up the number of criminal cases.

In handling criminal cases after appeal is where the machinery of the court is absolutely unable to comply with the law. In these cases the defendant, if convicted, may appeal within fifteen days after the judgment is rendered, and the record of the proceedings must be sent up to the supreme court for review within five days after appeal is taken. This law which was designed for a different time has become obsolete in our practice. At the time that this law was enacted no stenographers were employed in the courts of the Philippine Islands, the testimony was all taken down in longhand and signed by the witness, and consequently the record was complete as soon as judgment was rendered.

I would not have mentioned this point if it was not for the fact that a similar provision is incorporated in the new Code of Criminal Procedure. There are to my mind two remedies to this, one is to increase the force of stenographers to such an extent that a quick transcript of the notes can be secured, the other is to change the procedure in appeals in criminal cases by enacting a similar procedure to that followed in civil actions; that is to say, that a bill of exceptions and assignments of error be required of the appellant. This provision will have the effect of limiting the number of frivolous appeals in criminal cases.

There is another question where this court has for a long time found a great deal of difficulty, and that is in obtaining proper interpretation in important cases, both civil and criminal, owing to the fact that the appropriation for interpreters is entirely inadequate for good service, hence the impossibility of obtaining suitable interpreters and translators that might otherwise be had. This has been a constant source of annoyance and embarrassment alike to the judges, the prosecuting attorneys, the counsel for the defense, and attorneys in civil cases, and a serious detriment to justice. Frequently the various judges have had to call upon interpreters not connected with the court in order to obtain safe and proper interpretation. The parties are entitled to good and correct interpretation, and the present personnel, with one exception, is entirely inadequate. The service of incompetent interpreters delays substantially the trial of causes and all court proceedings, thus consuming unnecessary time in each trial, and it results that the whole machinery of the court is hindered and delayed, which amounts to extravagance.

It is suggested that the salaries of interpreters and translators be not less than ₱3,200 nor more than ₱3,600. With this salary and a proper selection of persons to fill the vacancies, the service could be brought up to a safe practice and the desired necessary standard of efficiency.

After the commencement of the October term this court will inaugurate a new system by assigning all probate cases to one judge. This will be a great improvement in proceedings of this kind. Hitherto probate cases had been somewhat neglected, due partly to the continual shifting of the records of the cases from one judge to another, and to a great extent to the impossibility of the clerk, with his present force, of examining the accounts of administrators, guardians, and executors, and in keeping them within limit as to the date on which they should file their reports and accounts. The deficiency as to the clerk's office force still exists and it is urged that this be remedied by appointing an additional assistant who could be assigned exclusively to this work.

The revenue collected of the court has been increasing to an enormous extent from year to year, as can be detected by comparing the receipts of previous years. There is an increase in the receipts in the financial year ending August 31, 1904, of 60 per cent, as compared to that of the previous year.

The foregoing recommendations were made after careful consultation with each member of the bench of the court of first instance of Manila and the prosecuting attorney, all of whom concur in this report.

Respectfully submitted,

J. McMICKING,
Clerk of the Court.

EXHIBIT C.

MANILA, P. I., September 23, 1904.

Hon. L. R. WILFLEY,
Attorney-General, Manila, P. I.

Sir: In reply to your communication of September 21, requesting certain data for the period September 1, 1903, to August 31, 1904, I have the honor to submit the following:

Number of cases on file September 1, 1903.....	144
Number of cases filed during year, September 1, 1903, to August 31, 1904..	833
Number of cases decided during year.....	221
Number of cases otherwise disposed of during year.....	15
Number of cases on docket September 1, 1904.....	977
Of which there are still pending.....	678
Amount of costs received during year:	
Philippines currency.....	₱28,607.74½
Mexican and Spanish-Philippines currency.....	Pfs. 761.17

Very respectfully,

J. R. WILSON, *Clerk of the Court.*

EXHIBIT D.

MANILA, September 29, 1904.

SIR: In compliance with your request, I have the honor to report that the court of customs appeals has been open at all times during the year commencing September 1, 1903, and ending August 31, 1904.

On September 2, 1903, the court was reconstructed by Act 864 of the Philippine Commission, and the president of the court, the honorable secretary of finance and justice, and the chief justice of the supreme court, who had been detailed as a member of this court, retired from the court.

A. S. Crossfield, formerly a member of this court, and Felix M. Roxas, formerly a judge of the court of first instance, were appointed and qualified as judges of the court newly constituted, and have been continuously on duty since.

Judge Crossfield has been detailed on duty as judge of the court of first instance in the city of Manila from September 1 to October 9, 1903; in the province of Rizal from October 9 to November 13, 1903; in the province of Cavite from February 15 to April 4, 1904, and again in the city of Manila from May 2 to the close of the said year, except for a short session of the court of first instance in Romblon, which he held during the month of August.

During his service as judge of the court of first instance in Manila during the year 1903 Judge Crossfield also held sessions and attended to the business of this court as necessity required, and while in such service during the present year has held daily five-hour sessions of the court of first instance in the forenoon and sessions of this court at 3 o'clock in the afternoon.

Judge Roxas has been detailed as judge of the court of first instance in the province of Bulacan from October 8, 1903, to November 27, 1903. From December 1, 1903, to February 12, 1904, he held sessions of the court of first instance both at Malolos, Bulacan, and at Pasig, Rizal, journeying from one town to the other as occasion demanded, and from July 6 to August 27 held court of first instance at Nueva Caceres, Ambos Camarines.

Cases on file at beginning of the year.....	17
Cases filed during the year.....	184

Total.....	201
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Cases disposed of.....	159
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As follows:

By judge of the court.....	152
By dismissal before trial, on motion of the attorney-general.....	6
Id., on motion of the appellant.....	1
Cases pending before the court.....	42

Total.....	201
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In nine cases in which judgment has been entered two separate and distinct appeals were made, requiring two distinct judgments, making judgments in all entered, 168, divided as follows:

On constitutional authority to levy duty—

On imports.....	11
On exports.....	10
On wharfage and harbor dues.....	10
On classification.....	54
On surtaxes, fines, etc.....	21
In special proceedings.....	8
Criminal cases.....	20
Confiscation proceedings.....	7
Appeals from imposition of duties on merchandise imported under concessions and government contracts.....	14
Immigration cases.....	13

168

Of the cases pending before the court on August 31, 24 were filed during the last days of the month and hearing had not been held at the end of the month, 10 are in suspense at the request of the appellants, and 8 are pending decision of the court.

Very respectfully submitted.

J. M. BROWNE, *Clerk of the Court.*

EXHIBIT E.

MANILA, September 15, 1904.

SIR: I have the honor to submit the following report of the work performed by my office from the 1st day of September, 1903, to the 31st day of August, 1904:

On the 1st day of September, 1903, I completed an investigation made by the order of the honorable the civil governor concerning alleged sufferings and deaths among certain laborers sent from Manila during the month of July, 1903, to work on the Benguet road. This investigation had occupied about a month's time, involving visits to the towns of Calamba, Cabuyao, and Los Baños, in La Laguna Province; Tarlac and Panique, in Tarlac Province; Dagupan, Lingayen, Pozorrubio, and Alava, in Pangasinan Province, and Twin Peaks, in Benguet Province. Report of this investigation is on file in the executive bureau, dated September 1, 1903.

On the 15th day of September, 1903, by order of Governor Taft, I left Manila for the province of Albay, where I arrived September 19. At this time the ladrone movement which had been going on in Albay Province for a considerable time was being brought to a close by Colonel Bandholtz, Philippines constabulary, and a session of the court of first instance was about to be held to try the cases growing out of these disorders. After spending about a fortnight in Albay Province, assisting Colonel Bandholtz in the investigation of a number of these cases and in preparing for the term of court which was about to open, I went to Nueva Caceres and there conducted an investigation of a claim by Antonio Guevara against the insular government for 6,000 pesos, seized by Gen. J. M. Bell as insurgent funds, at Magarao, Ambos Camarines, in the month of March, 1900. Report of this investigation has not yet been submitted, owing to repeated requests for delay on the part of the attorney for the claimant, Mr. William Tutherly, of Manila.

I returned to Albay Province on the 29th day of October. The Hon. Adam C. Carson, judge of the eighth district, arrived on the 31st day of October and opened court. About a month later the Hon. James H. Blount, jr., came to Albay to hold a special term in connection with that held by Judge Carson. With the assistance of the provincial fiscal of Albay and his deputy, the provincial fiscal of Ambos Camarines, and Mr. Marshall Dawson, of the attorney-general's office, I continued prosecuting cases for brigandage, insurrection, murder, etc., until the end of the month of December.

Upon our return to Manila after the termination of the session of court in Albay Province, Judges Carson, Blount, and myself joined in a report to the honorable the civil governor concerning the work accomplished at the said session, in which report certain recommendations were made as to the reduction of some of the sentences imposed. This report contains a complete list of the most important cases disposed of at the term of court above referred to. It is on file in the executive bureau, dated January 11, 1904.

I returned to Manila from Albay on the 6th day of January, 1904, and on the 12th day of January, by order of the Hon. Luke E. Wright, civil governor, I proceeded to the Cagayan Valley (Cagayan and Isabela provinces) to investigate conditions there, particularly with reference to a serious ladrone and so-called "revolutionary" movement going on in the province of Isabela at that time. The scope of this investigation, as per instructions of the honorable the civil governor, included a full inquiry into the cause of the disturbances in question; the condition of the provincial and municipal governments; investigation of the conduct of provincial and constabulary officials; troubles between the Tabacalera Company and native residents of Isabela Province, and recommendations, if deemed necessary, as to temporary change of form of government of Isabela Province. While in Isabela Province I submitted frequent telegraphic reports to the civil governor advising him of the progress of events and making recommendations concerning the matters which I was ordered to investigate and report upon.

On the 10th of February I met the Hon. Albert E. McCabe, judge of the court of first instance at Tuguegarao, and returned with him to Ilagan, Isabela, where a special term of court was held, beginning on the 12th day of February, for the trial of criminal cases growing out of the disturbances in Isabela Province. A large number of important cases were disposed of at this session. Upon my return to Manila I submitted to the civil governor a full report of all my work on this tour, said report being now on file in the executive bureau, dated March 14, 1904.

Immediately upon my return from the Cagayan Valley I was directed by the honorable the civil governor to visit the provinces of Ambos Camarines and Albay for the purpose of conducting the following investigations:

(1) Contest over the election of provincial governor in Ambos Camarines, held in February, 1904.

(2) Investigation and immediate report on application for pardon or commutation of sentence in case of one Francisco Reantazo, then under death sentence in Alay Province for "robbery in a band, with homicide." In the latter case I submitted report by telegraph, and in the former case prepared and mailed, on April 1, 1904, from Sorsogon, full report

and recommendations. Before leaving Albay Province I received instructions by telegraph from the executive secretary to proceed at once to Sorsogon Province to confer with the treasury examiners in relation to the prosecution of certain provincial officials. In compliance with that order, I proceeded without delay to Sorsogon, arriving there on the 29th day of March. I remained in Sorsogon until April 21, during which time I prosecuted before the Hon. Grant T. Trent, judge of the court of first instance, cases against Paul B. Weiss and Patrick Daly, deputy treasurers (Americans), and five Filipino deputies, for falsification of public documents and misappropriation of public funds, a conviction or plea of guilty resulting in every case, and Weiss having been sentenced in one case for falsification of official document to imprisonment for twelve years and one day, and for misappropriation of public funds, to ten years. Daly was sentenced to twelve years and one day for falsification. The Filipino deputies all pleading guilty to misappropriation of small amounts of public funds, were sentenced to correspondingly small terms of imprisonment in the provincial jail and in Bilibid Prison.

I arrived in Manila from Sorsogon on the 23d day of April, 1904, and on the 4th day of May left for Cebu, by order of the honorable the civil governor, to investigate certain complaints made by the Right Rev. Thomas Hendrick, bishop of Cebu. During this trip I visited, in addition to a number of towns in the province of Cebu, the towns of Tagbalaran and Jagna in Bohol Province, and completed the investigations directed by the civil governor, submitting report of same under date of June 7.

On this tour, pursuant to telegraphic instructions received at Cebu, I also visited Dumaguete, Oriental Negros, and investigated certain charges against Mr. W. C. Johnston, acting provincial treasurer, submitting report of same upon my return to Manila, under date of June 11, 1904.

I returned to Manila June 6, and on June 15, by order of the acting attorney-general, visited the province of Tayabas for the purpose of investigating charges preferred against the provincial fiscal. Report of this investigation was made to the acting attorney-general under date of June 30, 1904. While in Tayabas, pursuant to telegraphic instructions received from the acting executive secretary, I proceeded to the town of Atimonan, on the east coast of Tayabas, and conducted an investigation concerning a large shortage of rice reported by the provincial supervisor. Report of this investigation was made by telegraph under date of June 27. (See also communication to acting executive secretary dated at Manila July 1.)

On completion of this tour of duty I returned to Manila on the 29th day of June, and on the 9th day of July left Manila for Iloilo. The occasion for my visiting Iloilo was the following telegram:

"Ross, *Supervisor of Fiscals*,

"Care Attorney-General, Palace, Manila:

"Have opened court here, and find that service of supervisor of fiscals are needed. There appears to be no system either in the fiscal's office or that of the sheriff. Believe you could accomplish much good if you came down here and investigated things. You told me when I left Manila you expected to come here. Can you come soon? Things are in bad shape here, and away behind.

"McCabe, *Judge*."

and verbal instructions from the honorable the civil governor and the acting attorney-general. My work in Iloilo consisted of the investigation of charges against the provincial fiscal, Andrew V. Smith, and the deputy sheriff, one Sullivan: the conduct of the sheriff's office, and assisting the acting provincial fiscal, Mr. Ruperto Montinola, in the preparation and trial of a large docket of criminal cases. When about to leave Iloilo I received telegraphic instructions from the acting executive secretary to await the arrival of papers in the case of A. R. Stuart, ex-deputy collector of customs of the port of Iloilo, who had been arrested in the United States and was being returned to Iloilo for trial. The trial of this case was commenced on the 16th day of August and ended on the 14th day of September. The decision of the court was rendered on the 19th day of September, finding the defendant, Stuart, guilty of the crime of falsification of an official document, and sentencing him to twelve years and one day imprisonment.

COMMENT AND RECOMMENDATIONS.

During the year covered by this report I have had occasion to visit the capitals of the following provinces: Albay, Ambos Camarines, Antique, Bohol, Bulacan, Cagayan, Capiz, Cebu, Iloilo, Isabela, La Laguna, Masbate, Occidental Negros, Oriental Negros, Pangasinan, Rizal, Romblon, Sorsogon, Tarlac, and Tayabas. Most of these visits have been made under special orders of the honorable the civil governor and the attorney-general, but, in addition to the work assigned to me by special orders, I have inspected the offices

and observed the work of the provincial fiscals in the provinces named. I have found these officials, as a rule, performing their duties in a reasonably satisfactory manner, and in some cases with a high degree of efficiency. The greatest fault I have observed in the work of the fiscals is that they consume too much of the time of the courts in presenting cases which should never have been brought to trial, and in which a careful investigation would have shown that an acquittal must result. They also, I find, file a large number of informations without a sufficient preliminary investigation, which, when the cases come to trial, they are obliged to dismiss. As a rule, they are not as careful and painstaking as they should be in preparing their cases for trial and, as a result, are frequently surprised by the testimony of their witnesses, and lose cases where convictions should be secured—and could be by careful study and preparation before going to trial. I have endeavored by counsel, advice, and example, where I have had an opportunity to take an active part in trials, to correct these faults, and I think I may say that I have met with a fair degree of success.

The practices with which I here have occasion to find fault are due to several causes, the principal ones being (1) lack of perfect understanding of the new criminal procedure; (2) in some cases failure to exercise the highest degree of diligence and industry, and (3) the ignorance and inefficiency of a great many justices of the peace, who hold preliminary investigations and forward to the provincial fiscals voluminous reports in a great many cases where there is no legal foundation for criminal complaints, or where the evidence is insufficient, when presented to the court of first instance, to warrant convictions. It must be said, however, that, notwithstanding the ignorance and inefficiency of the justices of the peace in these matters, the fiscals could, by exercising a greater degree of diligence in examining the records sent up to them, and by conducting investigations on their own account, save a great deal of the time of the courts and avoid the loss of prestige in the public mind on account of such a large list of dismissals and acquittals as frequently results from sessions of the courts of first instance in the various provinces.

The fiscals are handicapped in the work of preparing cases for trial by the difficulty which is encountered in the matter of securing the prompt attendance of witnesses before the opening of the courts, or even during the sessions. This difficulty, in my opinion, is largely due to the lack of statutory provision for the payment of the expenses of travel and subsistence incurred by witnesses attending the courts. During the year I have attended a good many sessions of court, and this difficulty has always been present to deal with. It is not due to any disrespect for the courts on the part of the people of the country. On the contrary, I have observed that in general they obey the process of the courts with an alacrity equal to, if not greater than, that manifested by the people of the United States. The trouble is that the vast majority of the people subpoenaed as witnesses are extremely poor. It frequently happens that they are required to travel long distances to reach the capital, no transportation is available, and they are obliged to come on foot from remote districts over roads which generally are not in the best condition and which in the rainy season are almost impassable; and all this without any means of defraying their traveling expenses or of maintaining themselves after their arrival at the capital. I have known of cases where people who were possessed of some small means, or who were able to borrow money, have gone to large expense in hiring transportation in order to obey subpoenas, which expense practically bankrupted them and all their friends from whom they could borrow money.

A great part of these hardships might be obviated were it possible to summon witnesses, bring them to the capital, arrange to have them present on the day—or soon thereafter—when their case is called for trial, take their testimony, and allow them to depart. But this, owing to the great distances to be traveled, the short duration of sessions, and the uncertainty as to when cases will be reached on the docket, is altogether out of the question, and if it were attempted to pursue the practice of citing witnesses as cases are reached, the court dockets would become clogged beyond all hope of keeping up with the business. I have found from actual experience that the only way to dispatch criminal business promptly and within the limited time generally allotted for a term of court, is to summon practically all the government witnesses and secure their attendance on the day of the opening of court—or preferably a few days before, in order to allow time for preparation—call the witnesses as they are required, and excuse them as rapidly as possible, holding, in the meanwhile, those required for further cases. Without some way of subsisting these witnesses, this plan works incalculable hardship upon the poor people who are brought in under process of the courts. On several occasions when I have been attending the courts in the provinces I have resorted to calling upon the contingent fund of the executive bureau to meet the expenses of the subsistence of witnesses, and requests for the use of these funds have invariably been granted. But this plan is far from satisfactory, and the provincial fiscals in very few instances find it practicable to follow it, the result being that there is a universal complaint from them and from the provincial authorities concerning the matter under discussion.

In addition to the question of providing subsistence for indigent witnesses at the provincial capital, there is the matter of their transportation and subsistence while en route from

their homes to the capital, which in a great many cases—I might say “most”—it is necessary to supply in advance or else subject the witnesses to the hardship of providing, out of their meager store, their own expenses. There are many cases in which these people are absolutely unable to do this, and they either come to the capital in a half-starving condition, or else are obliged to depend on the charity of the people en route. I do not believe that I have overdrawn my statements in regard to this matter, and from experience gained in traveling about the archipelago almost continuously during the year, I can say that the conditions above stated are practically the same in all the provinces I have visited.

I am not in favor of providing by law a uniform schedule of witness fees, nor even of paying witnesses any fees at all, but I am of the opinion that legislation should be enacted authorizing provincial boards, on the certificate of the judge and the fiscal, to provide funds to meet the actual and necessary traveling expenses and subsistence of witnesses subpoenaed before the courts of first instance. As the cost of transportation and living varies widely in different localities, it would not be practicable, in my opinion, to fix a uniform allowance for all the provinces. I believe, however, that this matter could be safely left to the provincial boards subject to the supervision of the judge and the fiscal, and under such restrictions as to the Commission might seem wise. I most earnestly recommend this subject to your consideration.

JUSTICES OF THE PEACE.

I have heretofore in this report referred to the incompetency and ignorance of many of the justices of the peace. Instead of “many,” I could have said “most,” and might even have employed a stronger term. No fault could be found with the organization of the justice-of-the-peace courts, their powers and jurisdiction as defined by the acts of the Commission, if intelligent and honest men could be found to fill the office. The objection is to the personnel as at present constituted; but in order to improve the personnel I am of the opinion that it will be necessary to modify the system. There are men of sufficient capacity and integrity, I am sure, in practically every town in the Philippine Islands to fill the position of justice of the peace, but for some reason men of this character almost invariably evade the responsibility of serving. The position of justice of the peace appears not to attract the best class of citizens, and the result is that in a deplorably large number of cases the office goes to ignorant or dishonest persons—in many instances to those who are open to both these objections. It may be said that by a system of supervision and instruction the service might be improved, but I am obliged to say that with the material at hand to work with such a result is scarcely to be hoped for. Sometimes—and only too frequently—in addition to their ignorance these justices are found to be either grossly dishonest or else under the influence of a sharp and tricky secretary or “consultor,” as he is sometimes styled, who, from his superior education and intelligence, dominates the justice of the peace, exercises a strong influence, and preys upon the wretched inhabitants of the community. With these men the motto in all too many cases is, “A public office is a public graft,” and they prey upon the poor people of the country like wild beasts.

I trust I may not be charged with drawing too lurid a picture of this evil. My endeavor is to state only the facts as they have come to my knowledge, not only during the last year, but in several years' previous experience in these islands. It is true that a close and careful supervision of these justices by the provincial authorities, including the governor and the fiscal, would result in a marked improvement; but such supervision is often impracticable and even impossible owing to the wide territorial extent of the provinces, the lack of communication, and the manifold occupations and duties of the provincial officials. And then the question arises, “Why should the government be embarrassed by having on its hands a body of men like this and expending its time and energy in supervising them, when a comparatively simple modification of the system would accomplish the desired reform?”

The remedy for the justice-of-the-peace evil, in my opinion, and which I respectfully recommend to your consideration, is as follows: Divide each province into groups of pueblos, formed into convenient districts. Appoint to these districts, after a careful scrutiny of their character and qualifications (it might even be well to make the appointment subject to examination), men of known intelligence, education, and standing in their respective communities, under salary or an allowance of fees which would enable them to give their time to the performance of their duties without serious detriment to their private interests. Make it the duty of the provincial fiscal, under the supervision of the judge of the court of first instance of the district, to make frequent inspection of and reports on these officials. By reducing the number of justices, the judges, fiscals, and provincial officials would be enabled to keep them constantly under their eye and to exercise over them that degree of supervision which is now, under the circumstances, practically impossible. I believe that a change in the justice-court system somewhat along the lines herein proposed would result not only in a great improvement in the administration of justice and save the time of the fiscals and of the courts, but it would have a good and far-reaching effect upon the people of the country, and would very materially increase their confidence in the government.

Referring again to the work of the provincial fiscals, while, as I have said, it is generally reasonably satisfactory, it is yet true that there is on hand some "dead timber" that might well be dispensed with, and there are some weak spots in the service that need strengthening. These have been, and will be, referred to in special reports to you as occasion requires. I am very glad to be able to report that the aggregate of weak and inefficient men in the department is very small, and considering the comparatively recent date of the change in the system of conducting public prosecutions and the adoption of an American code of civil procedure (General Orders, No. 58), the aptitude shown by the members of the department is highly gratifying, and I believe that with the experience which will come to them with a few years of practice we shall have a highly efficient corps of public prosecutors.

I desire to especially mention and commend the efficiency, activity, and zeal of the following provincial fiscals: Mr. Ruperto Montinola, acting fiscal of Iloilo Province during the absence of the regular incumbent; Mr. Marcial Calleja, of Albay Province, and Mr. Fulgencio Contreras, of Ambos Camarines. I also desire to gratefully acknowledge the valuable and efficient assistance rendered me during the year by Mr. Edmund Block, deputy supervisor of fiscals. Mr. Block has been away during a considerable portion of the year on leave of absence in the United States, but while on duty he has always been a faithful, willing, and untiring worker. I have not had an opportunity to personally observe his work in the courts, but the judges before whom he has practiced speak most highly of him, and all reports show that he has been very successful.

Very respectfully,

JAMES ROSS,
Supervisor of Fiscals.

The ATTORNEY-GENERAL, Manila, P. I.

EXHIBIT F.

MANILA, P. I., October 15, 1904.

SIR: Pursuant to your request I have the honor to make a brief report upon the work of this office from September 1, 1903, to September 1, 1904.

The law makes it my duty to act as legal adviser of the chief of the Philippines Constabulary, and to assist the chief and the other officers of the constabulary in the collection and preparation of evidence for criminal prosecutions, and to appear on behalf of constabulary officers in habeas corpus and other proceedings to which the chief or any other constabulary officer, as such, may be a party; and, further, to take part in any criminal trials when ordered by the civil governor or the attorney-general, and to discharge such other duties in the bureau of justice as the attorney-general may direct.

A year ago and prior thereto a good portion of my time was consumed in writing opinions and giving advice upon questions involving procedure in criminal cases and upon the construction of laws affecting the constabulary, especially the law as to constabulary discipline. I am pleased to state that this class of work is gradually falling off, and from this fact I draw the conclusion that the constabulary officers are becoming much better informed as to their duties, at least in so far as they are prescribed by law. In preparing the drafts of proposed laws affecting the constabulary I have sought to make the provisions clear and plain in their meaning and in their relation to existing laws, so that they may not be misunderstood or misconstrued.

September 1, 1903, found me in San Fernando de la Union for the purpose of prosecuting the numerous cases then pending against Dean Tompkins, provincial treasurer; Alfred E. Wood, deputy provincial treasurer; Thomas P. Coates, coast district inspector of customs, and Charles H. Osborn, constabulary supply officer. These cases consumed practically all of my time from August 6 to October 16, 1903. During that time I assisted the attorney-general in the preparation of the reply brief in the Montagne & Dominguez disbarment case before the supreme court.

The trial of the San Fernando cases resulted as follows:

Thomas P. Coates, misappropriation of public funds, guilty; sentenced to imprisonment for eight years and one day.

Charles H. Osborn, misappropriation of public funds, guilty; sentenced to imprisonment for ten years.

Alfred E. Wood, estafa, guilty; sentenced to imprisonment in the provincial jail of Union for four months.

Dean Tompkins, forgery, guilty; sentenced to imprisonment for seventeen years four months and one day.

Dean Tompkins, misappropriation of public funds, guilty; sentenced to imprisonment for nine years.

After returning to Manila from San Fernando I spent nearly all the rest of the month of October in trying bandolerismo and murder cases in Pasig, before Judge Crossfield, securing the imposition of the death penalty against Faustino Guillermo, Anatalio Austria, Leoncio Papa, and Geronimo de Leon.

The month of November, 1903, was spent in Manila in the ordinary work of the office, which had accumulated for more than two months, and in assisting the attorney-general in the oral argument before the supreme court in the Montague & Dominguez disbarment case.

Nearly all my time in the month of December was consumed in routine work in the office. About the 10th of the month I went to San Isidro, Nueva Ecija, with Colonel Scott to investigate the work of the constabulary with reference to the cases filed against one Pablo Padilla.

In January, 1904, the author and three others of the defendants charged with sedition in presenting to the public the drama entitled "Hindi Aco Patay" were prosecuted in Judge Sweeney's court in Manila. The trial lasted about two weeks, as the court was frequently interrupted by other proceedings and the attorneys for the defense fought for every delay possible. The result was a judgment of guilty against all the defendants, and Juan M. Cruz, the author, was sentenced to two years' imprisonment and \$2,000 fine, the maximum penalty, and the other three defendants in that trial were sentenced to one year's imprisonment and a fine of \$100 each. The defendants appealed to the supreme court.

In the month of February I prepared, at the request of the acting attorney-general, a brief in the case of the United States against Aurelio Tolentino, pending on appeal in the supreme court. This was the first seditious-drama case appealed to the supreme court, and the result of the appeal will have an important bearing upon the matter of seditious dramas in the future. Tolentino was convicted August 1, 1903, in the court of first instance of Manila, as the author of the Tagalog drama Yesterday, To-day, and To-morrow, which was presented to the public at the Libertad Theater in Manila on May 14, 1903.

On February 15 I left Manila for San Fernando de la Union to prosecute the case against Chauncey McGovern on the charge of having given false testimony on October 7, 1903, in favor of the defendant, Dean Tompkins, who was charged with the misappropriation of public funds. On February 26 the court rendered a judgment of guilty and fixed his punishment at imprisonment for two years, four months and one day and a fine of 3,750 pesetas. This case is now pending in the supreme court on appeal.

The result of the San Fernando cases, including the one against Chauncey McGovern for perjury, seemed to have a very salutary effect as an object lesson in the impartial administration of justice.

In March, 1904, I took my annual vacation in order to accompany my family as far as Japan on their voyage to the United States.

In April, 1904, I made a short trip to Balanga, Bataan Province, under the orders of the civil governor, to investigate a case wherein five enlisted men of the constabulary were charged in the court of first instance with administering the "water cure." During this month, in addition to routine work, I revised my brief in the Aurelio Tolentino case.

From April 28 to May 9 I was absent from my office on account of sickness, but kept the work going in the office on the translation and transcription of the Tagalog drama Pulong Pinaglahuan, which is involved in a case pending at Pasig.

In the month of May there was no work accomplished outside of the ordinary routine in the office.

From June 1 to June 23, inclusive, I was sick in the civil hospital, but my office help was working on the Tagalog drama entitled "Chain of Gold," the author of which is charged in Batangas with sedition in having presented same to the public on May 10, 1903. On June 20, while still in the hospital, the doctor said that I could take up my work there, and I took this drama and the record in the case and studied same and began the preparation of an amended complaint, as I deemed it necessary to have same filed before the opening of the July term of court with a view to getting the case set down for trial at that term. The case is still pending and is set for the 25th instant. I found the preparation of this case more tedious and difficult than any of the other drama cases on account of the peculiar nature of the drama.

In the month of July all the rest of the actors charged with sedition in the Hindi Aco Patay case were placed on trial in Manila before Judge Crossfield, and the trial resulted in a finding of guilty and a sentence of nine months' imprisonment against each of the defendants, some eight in number. No appeal was taken by any of these defendants.

In the month of August the case against Jacinto Tolentino and some twelve others for complicity with Aurelio Tolentino in presenting to the public the seditious drama Yesterday, To-day, and To-morrow, was called for trial in Judge Araullo's court in Manila, and the five defendants who had been arrested demanded separate trials, each being defended by a different lawyer. The trials of Jacinto Tolentino, Pedro Canas, and José Carvajal were completed and they were each found guilty and sentenced to four, six, and seven months' imprisonment, respectively.

In this connection I am pleased to state that the prosecutions against the authors and players of seditious dramas seem to have had the desired effect. The prosecution of these cases was placed in my special charge, and the dramatic authors were informed that everybody connected with the writing and presentation of dramas of a seditious nature

would be prosecuted. At the time the work of prosecuting these cases was commenced, seditious dramas were being presented almost every night in the week in all the native theaters in Manila and in some of the provincial towns where the spirit of insurrection was running high, and they created great interest and excitement among the ignorant native population. About a year ago some Tagalog dramatists produced a number of so-called dramas in which the burden of their complaint was against Spain and the friars. These authors sought protection against the sedition law by having Governor Dancel read their dramas and issue a certificate that he found nothing in them subversive of the United States Government, and that he recommended their presentation to the public. The authors sought to have me approve these certificates, which I declined to do upon the ground that nobody had authority to issue them or to approve them. About the time of the arrival of Artemio Ricarte in the Philippines some of these authors put their dramas upon the stage, and in their presentation they used insurrecto emblems and uniforms, and their most exciting lines were quite as applicable to the American as to the Spanish Government; they were clearly intended, in connection with the scenery and costumes, to incite the people against the existing government. The members of two or three of these theatrical companies were arrested by the constabulary during their performances. In each case the author produced Governor Dancel's so-called "authorization." Some communications passed between Señor Dancel and myself, commencing with a protest by him against the arrest of one of these companies, and the result was that Governor Dancel recalled all his "authorizations" and returned to the authors a number of dramas then in his possession for censorship, stating that he would not "censor" them. There has been no further trouble as to seditious dramas, and the excitement caused by them has apparently subsided.

In the month of August I made a short trip to Biñan, Laguna Province, at the request of the civil governor, to investigate the distribution of the free rations sent by the government for the sufferers from the Biñan fire, and at the same time, at the request of General Allen, to investigate the troubles between the municipal presidente of that town and the lieutenant of scouts stationed there.

All my spare time in the months of July and August was spent in the preparation of briefs in the Thomas P. Coates and the Charles H. Osborn cases pending on appeal in the supreme court. This work was done upon the request of the acting attorney-general.

In conclusion I desire to state that in my work in the provinces I have observed that the "bond of union" between the provincial fiscal and the officers of the constabulary is not always as strong as it should be; in fact, their misconception of their respective duties leads each to wrong conclusions as to the conduct of the other, and often brings them into open conflict. This is largely true also as between the constabulary officers and the justices of the peace. On the one hand, the constabulary officers are usually more accustomed to the military procedure in criminal matters and often do not understand the requirements of the law under a civil government; on the other hand, the fiscals and the justices of the peace, if they have any training at all, are accustomed to the Spanish methods of procedure, and it is difficult for them to become acquainted with the new way of doing things. In view of these facts and many others incidental thereto, I am of the opinion that one assistant attorney-general should have supervision of the work of the provincial fiscals and the work of advising and directing the officers of the constabulary in legal matters.

I therefore have the honor to recommend that the positions of supervisor of provincial fiscals and deputy supervisor of provincial fiscals and that of assistant attorney-general for the Philippine constabulary be abolished; that a new position of assistant attorney-general be created, and that it be provided that such official shall supervise the work of the provincial fiscals and justices of the peace and shall be the legal adviser for the chief of the Philippine constabulary and all other constabulary officers in official matters, and that he shall perform such other duties in the bureau of justice as may be required of him by the civil governor or the attorney-general; and further, that provision be made for a district attorney in each constabulary district to take immediate charge of said work with a view to the training of the provincial fiscals in the performance of their official duties and assisting local constabulary officers in legal matters, and to take special charge of important civil and criminal cases arising in their respective districts.

In my opinion this plan, when worked out in detail and put in practice, would bring about an efficient organization of the provincial fiscal system, systematize the procedure in the investigation and trial of criminal cases, expedite the work of the courts and reduce their expenses, and, generally speaking, it would result in more harmonious cooperation among those officials in the provinces upon whom depends, in a large measure, the maintenance of law and order.

Very respectfully,

GEO. R. HARVEY,
Assistant Attorney-General, Philippine Constabulary.

Hon. L. R. WILFLEY,
Attorney-General, Manila, P. I.

EXHIBIT G.

ZAMBOANGA, P. I., October 1, 1904.

SIR: In compliance with the requirements of section 9 of Act No. 787 of the Philippine Commission, I have the honor to submit a report as to the conditions of public and private litigation in the courts throughout the Moro Province for the period from September 1, 1903, the date upon which I took charge of my office, to September 1, 1904:

While the Moro Province comprises territory almost equal in extent to the island of Luzon, it has very little population. According to the late census, the civilized population is, in round numbers, but 70,000 all told. The number of non-Christian inhabitants is not known and can not be calculated with any degree of certainty, but it is now believed to have been greatly overestimated in the past. It is safe to venture the statement that the entire population of the province is not in excess of that of a single one of the more populous provinces of Luzon, such as Pangasinan.

The Christian inhabitants are grouped in small and widely separated settlements along the coast of Mindanao. The greatest number are to be found in the vicinity of the municipality of Zamboanga, while the remainder live in the vicinity of Iligan, in the district of Lanao, Dapitan, in the subdistrict of Dapitan, and in various small communities in the district of Davao. The Christian population in other parts of the province is insignificant.

For the purposes of the present report it is not necessary to consider the Moros and other non-Christian inhabitants of the province. They range in development from absolute savagery to semibarbarism, and as yet the courts have scarcely been brought in contact with them. The act organizing the province provides for a system of local courts in which these non-Christian inhabitants are to be permitted to administer their own customary laws to as great an extent as possible, but up to the present time these courts have not been organized.

Living as they do in small and widely separated groups, the Christian Filipinos are, in general, a primitive and unprogressive, but peaceful and law-abiding people. Brigandage is unknown. Few have acquired wealth, and education has never made the progress among them that it has among the inhabitants of the other provinces of the Philippine Islands.

There has been little private litigation in the courts of the province during the past year, and in no case have large property interests been involved. Indeed, in a province of this kind, which has never been developed and which remains practically uninhabited and virgin territory, it is natural that there should be few property holdings of importance. The business of the province is at present largely in the hands of Chinese, of whom there are considerable numbers at Zamboanga, Cottabato, and Jolo. The opportunities for development offered by the virgin soil of Mindanao are attracting many American settlers, who are entering into agriculture on a large scale, and it is expected that their number will be greatly increased when the public land laws of the Philippine Islands shall have been extended to the province. Unless a tide of Filipino immigration sets in, which is not probable, it seems likely that in a few years the province will contain several thriving communities of Americans, and that in the future the business and wealth of the province will be largely in the hands of Americans and Chinese. Until the province is developed by immigration of some kind private litigation will continue to be of little importance.

The number of criminal cases brought before the courts in the past year has been small, and with a few exceptions the offenses charged have been minor ones. As in other provinces the unusual and unsettled conditions incident to a change of sovereignty were productive of an epidemic of crime, and the more serious offenses which have been brought to trial in the past year were the result of such conditions. The indications are that in the future, at least in so far as the civilized inhabitants are concerned, the criminal business of the courts will not be increased.

The principal difficulty encountered by the courts in administering justice is one of transportation and distances. The population, while very small, is scattered over a vast extent of territory and is in most cases very difficult to reach. Were all the inhabitants of the province with whom the courts are brought in contact grouped in a single settlement it is believed that one competent justice of the peace, sitting continuously, and one court of first instance, in session for a period of three months each year, could easily dispose of all the business coming before the courts. As it is, the province includes the entire fourteenth judicial district and a part of the thirteenth. One judge spends his entire time and another a part of his time in traveling through the various districts of the province holding sessions of court. There are in the province seven places for holding regular sessions of the court of first instance, all of which are to be reached only by sea. The greater part of the time of the courts of first instance and of this office, which, with the writer and one assistant, attends to all criminal prosecutions before such courts, is consumed in traveling or in waiting for transportation from one place to another. Even under these conditions many of the inhabitants are practically without access to the courts of first instance. In nearly every district there are small settlements of Filipinos from 30 to 200 miles distant from the place where

regular sessions of the court for the district are held—not as the crow flies, but as it is necessary to travel in order to reach the court. In the greater part of the province roads are unknown and traveling through the interior an impossibility. Transportation from the settlements mentioned to the place of holding court is necessarily by sea, in small native crafts. In some instances the commission of crimes justifies the holding of special sessions at these distant settlements, but ordinarily they are left as much without a court of first instance as if such courts had never been established.

Another drawback to the proper administration of justice in the province is due to the inability to secure competent justices of the peace. Except at Zamboanga there is no one continuous settlement of Filipinos sufficiently populous to justify the organization of a separate municipal government for the settlement, and at Zamboanga it has been necessary to include several distant settlements within the municipal limits. The municipalities of the province are very extensive, including more territory than is usually included in an entire province in other parts of the islands, but, save for small settlements scattered here and there, this territory is uninhabited. These settlements are often many miles distant from the seat of municipal government and very difficult of access. In view of these conditions, the Philippine Commission has provided by legislation for the appointment of justices of the peace for such settlement without regard to municipal limits, in order that the inhabitants thereof may not be compelled to travel prohibitive distances in order to appear before a justice. The inhabitants of these remote hamlets are primitive and ignorant, and it is usually impossible to find among them a man of sufficient education to qualify him for the position of justice of the peace, nor is the position so lucrative as to tempt better educated natives from Zamboanga or the other provinces to reside at such places. The result is that litigation in the justice of the peace courts of the province is in a very chaotic and unsatisfactory condition, nor does there seem to be any immediate remedy therefor. A handbook of instructions for justices of the peace, with printed forms for the transaction of all legal business coming before such courts, would be of aid in placing them upon a sounder basis.

Because of the conditions above set forth, the sparseness of the population, the vast distances, insufficient transportation, the undeveloped condition of the province, and the ignorance of the inhabitants, the administration of justice in the Moro Province can not be expected to be as satisfactory as it is in other parts of the islands where the population is dense and many of the natives have attained a high degree of civilization. In time, however, as education progresses, as the great natural wealth of the province is developed, and as the population increases it is natural to expect that conditions will steadily improve.

Very respectfully,

JOHN E. SPRINGER,
Attorney for the Moro Province.

The ATTORNEY-GENERAL, *Manila, P. I.*

EXHIBIT 3.

REPORT OF THE SUPERINTENDENT OF THE INSULAR COLD STORAGE AND ICE PLANT.

INSULAR COLD STORAGE AND ICE PLANT,
Manila, P. I., July 11, 1904.

DEAR SIR: I have the honor to hand you herewith a report of the operation of this plant for the fiscal year ending June 30, 1904.

By the terms of the contract with the Army for the fiscal year 1904, three cold rooms—in all, 127,254 cubic feet of space—were vacated. The plant was thus turned over to the undersigned with a revenue of ₱106,893.38 less than preceding years. In order to, as far as possible, overcome this reduction in the revenue, the working force of every department was materially reduced, except the engineers'. This I deemed it advisable, in the interest of the plant, to increase. Other economies were also practiced, but, on account of long accumulated leaves which had to be paid, and previous requisitions of the insular purchasing agent which could not be canceled, I regret to say I was unable to entirely overcome the large reduction referred to above.

During the month of May, 1904, room No. 5 was divided into three rooms—frozen room, chill room, and issue room—to meet the requirements of the sales commissary, and contracted for by the quartermaster May 21, 1904, at an annual rental of ₱30,000.

By authority of the honorable Civil Commission I have installed an additional freezing tank, which adds 18 tons of ice to the daily capacity of the plant. This tank meets the increased demand for ice and obviates the necessity of at times drawing ice which has not been properly frozen.

By authority of the honorable secretary of finance and justice, I have transferred to the bureau of coast guard and transportation one small steel lorch, which was not needed for the plant's business, and, in compliance with Executive Order No. 10, have transferred to the bureau of architecture all building material not needed at the plant, a list of which is attached hereto.

During this period I have had the entire rolling stock of the plant rebuilt, every machine overhauled, and the main building repaired and painted inside and out.

It gives me great pleasure that I am thus able to turn the entire property over to your honor in the best possible condition.

Very respectfully,

CHAS. G. SMITH,
Superintendent.

THE SECRETARY OF FINANCE AND JUSTICE,
Manila, P. I.

Articles of agreement for furnishing cold storage to the Subsistence Department, United States Army, by the insular government of the Philippine Islands.

This agreement, entered into at Manila, Philippine Islands, this first day of July, nineteen hundred and three, between Colonel E. B. Atwood, U. S. A., chief quartermaster, Division of the Philippines, of the first part, and the insular government of the Philippine Islands, of the second part,

Witnesseth, That the said Colonel E. B. Atwood, chief quartermaster, Division of the Philippines, for and in behalf of the United States of America, and the said insular government of the Philippine Islands, covenant and agree to and with each other as follows:

I. That the said insular government of the Philippines Islands shall, and by these presents does, hereby demise, let, rent, and lease to the United States of America rooms numbered 1-A, 1-B, 1-C, 2, 3, 4, 6, 7, and 8 in the insular cold storage and ice plant, Manila, P. I. (two hundred and ninety-nine thousand one hundred and nineteen cubic feet), to be used by the Subsistence Department, U. S. Army, for the storage of fresh meats and subsistence supplies, to have and to hold the same from the first day of July, nineteen hundred and three, to the thirtieth day of June, nineteen hundred and four, inclusive.

II. That the said insular government of the Philippine Islands agrees to maintain at all times in each of the rooms aforesaid such temperature as is required by the Subsistence Department, not less than eighteen degrees Fahrenheit, and to keep at all times in serviceable condition the loading and unloading devices, carrying rails, elevators, and scales appertaining to said plant, and to furnish the use, as well as the necessary mechanics to operate the same, free of charge whenever the devices can be used to facilitate and expedite the movement of stores in and out of cold storage.

III. That the insular government of the Philippine Islands shall furnish the insulated lighters and steam tug of the said insular cold storage and ice plant to receive ex-ship, Manila Bay, all fresh beef and mutton to be kept in cold storage for the Subsistence Department, but the said insular government shall not be required to furnish the labor, checkers, etc., necessary to bring the same to the scales or elevator at the outer doors of the cold storage side of the plant or to move the same from one room to another whenever necessary for the convenience of the Subsistence Department.

IV. That the insulated lighters and steam tug of the insular cold storage and ice plant shall be used to deliver fresh meat to transports in the harbor of Manila and to the Subsistence Department depot on the Pasig River; but the said insular government is not to be required to furnish the checkers and labor required for such services; the insular cold storage and ice plant to deliver the fresh beef, mutton, and other stores at the scales or foot of elevator, at the outside door of the cold storage rooms: *Provided*, That the insular cold storage and ice plant shall not be compelled to furnish its steam tug or insulated lighters for the transportation of beef or mutton to the U. S. transports or other Government vessels in the harbor of Manila when the quantity to be transported is less than one (1) ton.

V. The superintendent of the insular cold storage and ice plant shall receive from and give receipts to the Subsistence Department for the subsistence stores and fresh meat to be placed in cold storage when delivered at the scales or foot of elevator at the outer doors of the cold storage side of the plant, and the unit specified therein shall be the quarter of beef, specifying whether fore or hind quarter, the carcass of mutton, the box, and the crate. The receipt for boxes and crates will state their gross weight and the name of the stores "said to be contained therein."

VI. The Subsistence Department, through its authorized representative stationed at the insular cold storage and ice plant, shall receive from and give receipt to the insular cold storage and ice plant for all subsistence stores and fresh meat taken out of cold storage and delivered by the plant at its scales or foot of elevator at the outer door of the cold storage side of the plant.

VII. The management of the cold storage rooms aforesaid, the regulation of the temperature required by the Subsistence Department, and the operation of all machinery and plant used for producing cold and for transporting meat and other supplies from the river front to the rooms where they are to be stored, and for returning the same to the river front when needed, shall be under the control and management of the superintendent of the insular cold storage and ice plant.

VIII. That in case any beef, mutton, or other stores belonging to the Subsistence Department shall be lost by perils of the sea or marine disaster within the harbor of Manila while being transported to or from the insular cold storage and ice plant, the insular government shall not be liable for any loss or damage so sustained by the Subsistence Department.

IX. That in case the building belonging to the insular government, in which the cold storage space hereby leased is contained should be destroyed by fire, earthquake or typhoon,

or other casualty, or so materially injured by either of said causes that it becomes impracticable for the said insular government to complete this contract, this contract shall thereupon cease and be determined, without liability for damage on the part of either party: *Provided*, That in the event of an accident to the machinery or appliances, due to any imperfection in said machinery or appliances, or to the carelessness of the employees of the said insular cold storage and ice plant, which renders it impossible to maintain the temperature of the cold storage rooms at a degree of cold low enough to preserve the meat and other stores belonging to the Subsistence Department, the insular government shall provide cold storage elsewhere for said supplies, or pay to the Subsistence Department the money value of such of the said supplies as may be so damaged as to be unserviceable, the amount to be determined by a military board of survey.

X. That for and in consideration of the above covenants and agreements the United States shall pay to the said insular government of the Philippine Islands the sum of three and one-half cents ($3\frac{1}{2}$ cents) U. S. currency per cubic foot per month for all the cold storage space by this instrument leased.

XI. That payment shall be made at the end of each calendar month, or as soon thereafter as practicable at the office of the disbursing quartermaster at Manila, P. I., in the funds furnished for the purpose by the United States.

XII. That neither this lease nor any interest therein shall be transferred to any other party or parties, and in case of such transfer the United States may refuse to carry out this lease either with the transferer or the transferee, but all rights of action for any breach of this lease by the said insular government of the Philippine Islands are reserved to the United States.

XIII. That no Member of or Delegate to Congress, nor any persons belonging to or employed in the military service of the United States is, or shall be admitted to any share or part of this lease or to any benefit which may arise therefrom.

XIV. That this lease shall be subject to approval of the major-general, U. S. Army, commanding the Division of the Philippines.

In witness whereof the undersigned have hereunto placed their hands the date first hereinbefore written.

Witnesseth:

J. A. SCOTT as to

E. B. ATWOOD,
Assistant Quartermaster-General, U. S. A., Chief Quartermaster.

JAMES F. SMITH,
Acting Secretary Finance and Justice.

HEADQUARTERS DIVISION OF THE PHILIPPINES,
Manila, July 22, 1903.

Approved.

GEO. W. DAVIS,
Major-General, U. S. A., Commanding.

Articles of agreement for furnishing ice to the Subsistence Department, U. S. Army, by the insular government of the Philippine Islands.

This agreement entered into at Manila, Philippine Islands, on this tenth day of July, 1903, between Colonel Henry G. Sharpe, A. C. G., United States Army, for and in behalf of the United States of America, party of the first part, and the insular government of the Philippine Islands, party of the second part, witnesseth:

I. That the said party of the second part agrees to furnish as much ice per day as may be required by the Subsistence Department, United States Army, Division of the Philippines, not to exceed two-thirds of the capacity of the insular cold storage and ice plant owned and operated by the party of the second part, at Manila, which ice shall be pure and merchantable and made from distilled water, and shall be delivered at the following places: 1st, on the loading platform of the plant; 2nd, launches' side at plant's dock; 3rd, at wharf in front of the captain of the port's office; 4th, at ship's side, Manila Harbor: and the said party of the second part shall deliver ice at the places above enumerated without additional cost, and at such other places within the city limits of Manila as may be designated by the said party of the first part.

II. That the said party of the first part hereby agrees that for each pound of ice so delivered and received by the party of the first part it will pay fifty cents, United States currency, per one hundred pounds, to the party of the second part, payable monthly at the office of the depot commissary, Manila, Philippine Islands.

III. That this contract shall continue in force from the first day of July, 1903, to the thirtieth day of June, 1904, inclusive.

IV. That neither this contract nor any interest therein shall be transferred to any other party or parties, and in case of such transfer the party of the first part may refuse to carry

out this contract either with the transferrer or the transferee, but all rights of action for any breach of this contract by the said insular government of the Philippine Islands are reserved to the United States.

V. That no member of or delegate to Congress, or any person belonging to or employed in the military service of the United States, is or shall be admitted to any share or part of this contract or to any benefit which may arise therefrom.

VI. That this contract shall be subject to the approval of the commanding general, Division of the Philippines.

In witness whereof the undersigned have hereunto placed their hands on the day first hereon before written, James F. Smith, acting secretary of finance and justice, having been authorized to execute this contract by virtue of a resolution of the United States Philippine Commission, adopted on the 10th day of July, 1903, reading as follows:

"Be it resolved by the United States Philippine Commission, That the acting secretary of finance and justice be hereby authorized to contract with the United States of America for furnishing ice to the United States of America from the insular cold storage and ice plant for the period of one year, from the first day of July, 1903, to the thirtieth day of June, 1904, inclusive, upon such terms and conditions as shall seem to the said acting secretary of finance and justice expedient."

Witness:

W. H. ELDRIDGE,
Manila, P. I.

HENRY G. SHARPE,
Colonel, A. C. G., U. S. Army,
for and in behalf of the United States of America.

LEON S. ROUDIEZ,
Captain, 25th Infantry.

INSULAR GOVERNMENT OF THE
PHILIPPINE ISLANDS,
By JAMES F. SMITH,
Acting Secretary of Finance and Justice.

HEADQUARTERS DIVISION OF THE PHILIPPINES,
Manila, P. I., July 13, 1903.

Approved:

GEO. W. DAVIS,
Major-General, U. S. Army, Commanding.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., April 15, 1903.

MR. JOHN ROSS MARTIN,
Paymaster, U. S. Navy, Cavite, P. I.

SIR: I have the honor to invite your attention to a copy of your letter of July 29, 1902, in connection with our agreement relating to the storing of the navy beef and mutton in the insular cold storage and ice plant, and to respectfully request to be informed as to the intention of your department in connection with this matter for the year ending June 30, 1904.

I believe it is of some importance that the matter should be satisfactorily settled before the expiration of the present fiscal year. This office has no objection to a renewal of the agreement under which we are working at present.

Very respectfully,

LEON S. ROUDIEZ,
Captain of Infantry, U. S. Army, Superintendent.

UNITED STATES NAVAL STATION, *Cavite, P. I., April 22, 1903.*

SIR: In reply to your favor of April 15, I am directed by the commandant to inform you that it is his desire to continue for fiscal year 1904 the present arrangements for storing beef and mutton, i. e., 3 cents per cubic foot per month.

Respectfully,

JOHN ROSS MARTIN,
Pay Inspector, U. S. Navy.

THE SUPERINTENDENT INSULAR COLD STORAGE AND ICE PLANT,
Manila.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., June 23, 1902.

PAYMASTER JOHN ROSS MARTIN, U. S. Navy,
Cavite, P. I.

SIR: I have the honor to invite your attention to copy of correspondence herewith inclosed. This formed the basis of an agreement covering the keeping of beef and mutton

for the Navy by the insular cold storage and ice plant. At the time this agreement was made the Subsistence Department, United States Army, although paying for the entire cold storage space then available, used only about two-thirds of it, and it was thought that the navy beef could be handled in connection with the commissary beef and mutton, shifting it from room to room as required by the quantity of meat to be kept for the Subsistence Department, all the space being taken by the Subsistence Department. The charge made was intended to cover the cost of handling the meat, without any charge for refrigeration or storage. Early this year it was found, however, that the amount of fresh meat to be kept for the Subsistence Department would take up the entire available space, and in order to carry out our agreement with the Navy I found it necessary to fit up a small room for the special use of the meat kept for that department. This caused an additional expense directly chargeable against this duty, and it will be seen that under the circumstances it was practically impossible to take care of the navy beef at the present rate, which is \$2 per ton. The United States Subsistence Department pays at the rate of $3\frac{1}{2}$ cents per cubic foot for the space it occupies, but for this amount we not only bring the beef from the refrigerating ship to the plant, but also deliver it to transports, etc. As in the case of the Navy these deliveries are omitted I believe that a rate of 3 cents per cubic foot per month or fraction thereof would be a fair charge for the service.

The room now exclusively used for the navy fresh meat contains 9,979 cubic feet, and while it does not quite hold all the meat when first received from the ship, requiring shifting into and from other rooms, a few issues soon relieve the congestion and the room made to accommodate the meat safely and conveniently.

Ice can be supplied as heretofore at the rate of one-half cent per pound.

Kindly give this matter your early attention and oblige,

Yours, respectfully,

LEON S. ROUDIEZ,

Captain, 25th Infantry, U. S. Army, Superintendent.

UNITED STATES NAVAL STATION, Cavite, P. I., July 29, 1902.

SIR: In reply to your esteemed favor of June 23, I have the honor to inform you that the commandant of this station has instructed me to advise you that he accepts the terms contained in your kind letter, viz, 3 cents per cubic foot per month for the cold storage of beef and mutton for the Navy for the fiscal year 1903.

Very respectfully,

JOHN ROSS MARTIN,
Paymaster, U. S. Navy.

Capt. LEON S. ROUDIEZ,

Twenty-fifth Infantry, U. S. Army,

Superintendent Insular Cold Storage and Ice Plant, Manila.

The foregoing are true copies.

Recapitulation of earnings, expenditures, and reductions for the fiscal year 1904.

Earnings.....	P 602, 948. 81
Expenditures.....	395, 622. 18

Excess.....	207, 326. 63
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To arrive at the actual net earnings of the plant for this period it will be necessary to add to the above the following items, which were no part of the running expenses of the plant:

Improvement of the plant:

Installing an additional freezing tank, 18 tons capacity...	P 17, 151. 08
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4 ice wagons, delivered June, 1902.....	2, 636. 70
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	19, 787. 78
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Less 880 tons of coal consumed fiscal year 1904, as yet	
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unpaid for.....	11, 519. 20
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	8, 268. 58
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Actual net earnings.....	215, 595. 21
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Earnings for the fiscal year ending June 30, 1904.

Month.	Ice.	Water.	Cold storage.	Miscellaneous revenues.	Total.
1903.					
July.....	P 29,509.96	P 267.88	P 22,027.10	P 250.50	P 52,055.44
August.....	29,404.75	290.00	21,781.04	110.50	51,586.29
September.....	26,321.84	710.80	21,665.24	110.50	48,808.38
October.....	26,593.01	683.40	21,639.99	190.50	49,106.90
November.....	26,019.15	627.00	24,514.03	110.50	51,870.68
December.....	26,695.61	645.60	21,537.07	160.50	49,038.78
1904.					
January.....	23,226.97	740.20	21,537.07	210.50	45,714.74
February.....	22,360.47	708.60	21,537.07	302.88	44,909.02
March.....	26,508.10	746.52	21,776.79	219.02	49,250.43
April.....	27,477.64	685.68	21,632.15	158.34	49,953.81
May.....	31,987.62	735.32	22,707.22	158.30	55,588.46
June.....	29,955.97	830.32	24,037.07	242.52	55,065.88
Total.....	326,661.09	7,671.32	266,391.84	2,224.56	602,948.81

Cash receipts for the fiscal year ending June 30, 1904, deposited with treasurer.

Month.	Ice.	Water.	Cold storage.	Miscellaneous revenues.	Total.
1903.					
July.....	{ a \$11,158.82 23,557.08	{ a \$92.51 242.96	{ \$30,444.84 1,727.48	{ a \$39.20 178.50 a 10	{ a \$11,290.53 54,423.38 a 4,775.11
August.....	{ 23,490.96 25,586.17	{ 572.80 a 60		{ 197.00 892.57	{ 25,988.24 a 3,586.77
September.....	{ 25,769.18 a 3,128.35	{ 536.40 685.50			{ 27,198.15 a 3,128.35
October.....	{ 24,680.30 a 3,316.96	{ a 6.90 646.20	{ 84,454.98	{ 190.50	{ 26,231.71 a 3,323.86
November.....	{ 23,943.37 a 2,886.59	{ a 32.20 644.20		{ 110.50	{ 109,235.05 a 2,918.79
December.....	{ 24,261.81				{ 49,530.54
1904.					
January.....	25,499.28	509.80	21,537.07	160.50	47,766.65
February.....	23,385.29	728.20	21,537.07	210.50	45,861.06
March.....	23,448.86	736.00	21,603.07	53.50	45,841.43
April.....	26,799.40	706.32	21,676.79	468.40	51,650.91
May.....	29,085.48	726.68	733.82	151.34	30,707.32
June.....	31,141.44	790.52	42,726.57	165.30	74,823.83
Total.....	{ a 28,845.00 307,072.45	{ a 139.11 7,585.58	{ 270,955.72	{ a 39.30 3,644.52	{ a 29,023.41 580,258.27

a Mexican currency.

Statement of expenditures for the fiscal year ending June 30, 1904.

	1903.					
	July.	August.	September.	October.	November.	December.
Salaries and wages.....	\$16,748.13	\$16,717.31	\$16,257.76	\$15,724.87	\$17,219.20	\$15,835.96
Office supplies.....		72.18	84.69	10.95	66.87	33.13
Incidental and contingent expenses.....	2,293.20	25.38	17.00	23.00	24.00	12.00
Coal.....	19,968.20	8,871.10	785.85		25,918.20	4,871.44
Forage.....			362.74	1,349.02	1,240.28	29.62
Electrical supplies.....		3,137.43				3,230.46
Care and maintenance, buildings.....	284.79	423.81	50.66	12.84	243.28	362.56
Care and maintenance, machinery.....	2,508.67	2,750.31	7,351.75	3.65	9,137.51	3,903.04
Care and maintenance, water transports.....	113.60	57.09	75.89		10.70	234.74
Care and maintenance, land transports.....	1,188.36	1,952.36	28.51	3.06	1,516.08	871.72
Improvement of plant.....		153.40				
Insular purchasing agent, commission.....	2,422.72	1,938.07	971.08	153.25	4,236.96	1,504.05
Total.....	45,527.67	36,098.44	25,985.93	17,280.64	59,613.08	30,888.72

Statement of expenditures for the fiscal year ending June 30, 1904—Continued.

	1904.						
	January.	February.	March.	April.	May.	June.	Total.
Salaries and wages.....	\$15,072.23	\$15,337.08	\$14,657.08	\$14,407.81	\$14,022.60	\$14,583.94	\$186,583.97
Office supplies.....	12.74		.50		116.74	65.54	463.34
Incidental and contingent expenses.....	15.00	279.00	43.67	20.00	319.38	14.00	3,085.63
Coal.....	16,976.54	29,640.67					107,032.00
Forage.....	334.59	642.88			2,025.41	1,692.95	7,677.49
Electrical supplies.....		36.00			3.47		6,407.36
Care and maintenance, buildings.....	252.12	38.88	187.70		941.84	181.05	2,982.53
Care and maintenance, machinery.....	1,563.97	2,639.94	127.67		4,758.80	1,177.06	35,922.37
Care and maintenance, water transports.....		41.18			571.98	181.42	1,286.60
Care and maintenance, land transports.....	2,508.65	58.96	11.63	9.25	604.17	67.74	8,920.49
Improvement of plant.....			60.00		16,506.82	584.26	17,304.48
Insular purchasing agent, commission.....	2,164.86	3,311.05	33.19		930.49	390.20	18,055.92
Total.....	38,900.70	52,025.64	15,121.44	14,437.06	40,801.70	18,941.16	395,622.18

Statement of stores delivered and on hand, fiscal year ending June 30, 1904, on account of Subsistence Department, U. S. Army.

Articles.	Unit.	Delivered.	Remain- ing on hand.	Total.
Fresh beef.....	Quarters.....	41,827	6,518	48,345
Fresh mutton.....	Carcasses.....	10,157	2,385	12,542
Fresh chickens.....	do.....	257	76	333
Fresh ducks.....	do.....	217	41	258
Fresh geese.....	do.....	19	4	23
Fresh pigeons.....	do.....	120		120
Fresh squabs.....	do.....	132		132
Fresh turkeys.....	do.....	2,122	16	2,138
Fruit:				
Apples.....	Cases.....	63		63
Lemons.....	do.....	10	2	12
Limes.....	do.....		2	2
Oranges.....	do.....	70		70
Bacon.....	do.....	776		776
Do.....	Crates.....	2,021		2,021
Butter, Australian.....	Cases.....	2,727	186	2,913
Butterline.....	Kgs.....	94	29	123
Cheese:				
Australian.....	Cases.....	273		273
Cream.....	do.....	399		399
Edam.....	do.....	22	154	176
Codfish.....	do.....	707	136	843
Fish:				
Herring.....	do.....	4		4
Mackerel.....	do.....	947		947
Ginger ale:				
Imported.....	Barrels.....	935	495	1,430
Shasta.....	do.....	20		20
Do.....	do.....	222		222
Vartray.....	Cases.....	525	98	623
Ham, sliced.....	Cans.....	6		6
Lard.....	Cases.....	1,337		1,337
Lobsters.....	do.....	142	20	172
Milk:				
Australian.....	do.....	1,046	300	1,436
Eagle.....	do.....	951	91	1,042
H. C.....	do.....	600	1,000	1,600
do.....	do.....	867		867
Pickles, cucumber.....	Kgs.....	319	762	1,081
Sauerkraut.....	do.....	594	294	884
Tansan.....	Cases.....	1,278	47	1,325
Vinegar.....	Barrels.....	79	20	99
Walnuts.....	Barrels.....	3		3
Yeast, mugs.....	Cases.....	36	85	121
Cranberry sauce.....	do.....	4	790	794
Clipped beef.....	do.....	169		169
Corn meal.....	do.....	190		190
Olives.....	do.....	146		146
Vienna sausage.....	do.....	145		145

Fresh beef and mutton delivered from September 1, 1903, and remaining on hand July 1, 1904, on account of United States Navy.

Articles.	Unit.	Delivered.	Remaining on hand.	Total.
Fresh beef.....	Fore quarters.....	800		800
Do.....	Hind quarters.....	994		994
Mutton.....	Carcasses.....	260		260

Fresh beef and mutton on hand September 1, 1903, and received from September 1, 1903, to June 30, 1904, on account of United States Navy.

Articles.	Unit.	On hand.	Received.	Total.
Fresh beef.....	Fore quarters.....		800	800
Do.....	Hind quarters.....	194	800	994
Mutton.....	Carcasses.....	60	200	260

Statement of stores on hand and received, fiscal year ending June 30, 1904, on account of Subsistence Department, United States Army.

Articles.	Unit.	On hand.	Received.	Total.
Fresh beef.....	Quarters.....	2,008	46,337	48,345
Fresh mutton.....	Carcasses.....	1,656	10,886	12,542
Fresh chickens.....	do.....		333	333
Fresh ducks.....	do.....		258	258
Fresh geese.....	do.....		23	23
Fresh pigeons.....	do.....		120	120
Fresh squabs.....	do.....		132	132
Fresh turkeys.....	do.....		2,138	2,138
Fruit:				
Apples.....	Cases.....		63	63
Lemons.....	do.....		12	12
Limes.....	do.....		2	2
Oranges.....	do.....		70	70
Bacon.....	do.....	776		776
Do.....	Crates.....	1,803	128	2,021
Butter, Australian.....	Cases.....	932	1,981	2,913
Butterine.....	Kegs.....	25	98	123
Cheese:				
Australian.....	Cases.....	272	1	273
Cream.....	do.....		399	399
Edam.....	do.....		176	176
Codfish.....	do.....	379	464	843
Fish:				
Herring.....	do.....		4	4
Mackerel.....	do.....	551	396	947
Ginger ale:				
Imported.....	Barrels.....	933	497	1,430
Shasta.....	do.....		20	20
Do.....	Cases.....		222	222
Vatray.....	do.....		623	623
Ham, sliced.....	Cans.....		6	6
Lard.....	Cases.....	319	1,018	1,337
Lobsters.....	do.....	172		172
Milk:				
Australian.....	do.....	165	1,271	1,436
Eagle.....	do.....	528	514	1,042
H. C.....	do.....		1,600	1,600
Oxtongue.....	do.....	788	79	867
Pickles, cucumber.....	Kegs.....		1,081	1,081
Sauerkraut.....	do.....		884	884
Tausan.....	Cases.....		1,325	1,325
Vinegar.....	Barrels.....		99	99
Walnuts.....	Sacks.....	3		3
Yeast, magic.....	Cases.....	33	88	121
Cranberry sauce.....	do.....		794	794
Chipped beef.....	do.....	169		169
Corn meal.....	do.....	190		190
Olives.....	do.....	146		146
Vienna sausage.....	do.....	145		145

Statement of ice delivered for the fiscal year ending June 30, 1904.

Month.	Army, navy, and marines.	Officers and civil- ians.	Govern- ment bu- reaus.	Coupon customers.	Cash sales.	Total.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
1903.						
July.....	1,148,787	610,739	131,655	406,395	435,886	2,733,462
August.....	1,300,808	564,144	137,980	405,250	335,527	2,743,709
September.....	1,161,111	489,755	131,840	358,805	269,800	2,448,311
October.....	1,165,529	559,490	136,465	440,710	229,780	2,531,974
November.....	1,216,535	529,100	135,030	406,015	260,802	2,547,482
December.....	1,195,715	576,985	139,190	262,575	260,127	2,434,592
1904.						
January.....	1,053,842	548,425	146,375	341,515	173,157	2,263,314
February.....	971,893	537,300	138,210	311,485	179,457	2,138,345
March.....	1,166,370	607,985	146,020	364,135	221,383	2,505,893
April.....	1,100,599	616,760	149,810	418,700	277,172	2,563,041
May.....	1,288,083	711,425	156,445	490,375	349,737	2,976,065
June.....	1,135,195	733,060	150,065	505,865	261,072	2,794,197
Total.....	13,884,467	7,085,168	1,708,025	4,748,825	3,253,900	30,680,385

	<i>Pounds.</i>
Sold at 1 cent Philippine currency.....	28,649,440
Sold at 2 cents Mexican currency.....	1,262,772
Sold at 2 cents Philippine currency.....	768,233
Total.....	30,680,385

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., August 1, 1903.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of July, 1903:

ICE ACCOUNT.

On hand July 1, as per last report.....	pounds..	36,300	
Drawn during the month.....	do....	3,060,000	
			3,096,300
Sold during the month.....	do....	2,733,462	
On hand July 31.....	do....	246,300	
Wastage during the month.....	do....	116,538	
			3,096,300

COLD STORAGE.

299,119 cubic feet under contract with subsistence department	
U. S. Army, at 7 cents per cubic foot.....	P 20,938. 36
9,979 cubic feet under contract with U. S. Navy, at 6 cents per	
cubic foot.....	598. 74
700 quarters beef, at 70 cents per quarter, U. S. Navy.....	490. 00
	P 22,027. 10

SALE OF ICE.

1,148,787 pounds to army, navy, and marines, at 1 cent.....	11,487. 88
610,739 pounds to officers and civilians, at 1 cent.....	6,107. 40
131,656 pounds to government bureaus, at 1 cent.....	1,316. 56
406,396 pounds to coupon customers, at 1 cent.....	4,063. 96
334,146 pounds to cash sales, at 2 cents Mexican currency....	5,516. 76
101,740 pounds to cash sales, at 1 cent Philippine currency...	1,017. 40
	29,509. 96

OTHER REVENUES.

Rent of lighter.....	P 190. 00
Distilled water.....	267. 88
Electric lighting.....	60. 50
	518. 38
Total revenues.....	52,055. 44

RECAPITULATION.

Revenues from cold storage.....	P 22,027. 10	
Sales of ice, army, navy, and marines.....	11,487. 88	
Sales of ice, officers and civilians.....	6,107. 40	
Sales of ice, government bureaus.....	1,316. 56	
Cash sales.....	5,516. 76	
Distilled water.....	267. 88	
Sundry revenues.....	250. 50	
Sales of coupons.....	4,098. 50	
Balance outstanding, as per last report.....	48,942. 62	
		P 100,015. 20

COLLECTIONS.

Cash sales at 2 cents Mexican or 2 cents Philippine currency..	5,516. 76	
Sale of coupon books.....	4,098. 50	
Sale of distilled water.....	267. 88	
Sundry cash sales.....	1,022. 34	
On outstanding accounts.....	52,792. 78	
		63,698. 26
Balance outstanding.....		36,316. 94
Coupon outstanding last report.....	1,430. 02	
Sold during month.....	4,098. 50	
		5,528. 52
Delivered during month.....		4,063. 96
Outstanding.....		1,464. 56
Respectfully submitted.		

LEON S. ROUDIEZ,

Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., August 31, 1903.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of August, 1903:

ICE ACCOUNT.

On hand August 1, as per last report.....pounds..	246,300	
Drawn during the month.....do.....	2,884,800	
		3,131,100
Sold during the month.....do.....	2,743,709	
On hand August 31.....do.....	232,500	
Wastage during the month.....do.....	154,891	
		3,131,100

COLD STORAGE.

299,119 cubic feet under contract with Subsistence Department U. S. Army, at 7 cents, Philippine currency, per cubic foot..	P 20,938. 36	
9,979 cubic feet under contract with the U. S. Navy, at 6 cents, Philippine currency, per cubic foot.....	598. 74	
Storage of extra meat for U. S. Navy.....	243. 891	
		P 21,781. 04

SALE OF ICE.

1,300,808 pounds to Army, Navy, and marines, at 1 cent, Phil- ippine currency.....	13,008. 08	
564,144 pounds to officers and civilians, at 1 cent, Philippine currency.....	5,641. 44	
137,980 pounds to government bureaus, at 1 cent, Philippine currency.....	1,379. 80	

405,250 pounds to coupon customers, at 1 cent, Philippine currency	P 4,052. 50	
257,737 pounds to cash sales, at 2 cents, Mexican, expressed in Philippine currency	4,545. 03	
77,790 pounds to cash sales, at 1 cent Philippine currency	777. 90	
		P 29,404. 75

MISCELLANEOUS REVENUES.

Rent of lighters to Macondray & Co.	50. 00	
Electric lights to Quartermaster's Department.	28. 50	
Electric current, printing plant.	32. 00	
Distilled-water cards to sundry persons.	290. 00	
		400. 50
Total revenues.		51,536. 29

RECAPITULATION.

Revenues from cold storage.	21,781. 04	
Credit sales to Army, Navy, and marines, officers, civilians, and government bureaus.	20,029. 32	
Cash sales of ice.	5,322. 93	
Distilled-water cards.	290. 00	
Sundry revenues.	110. 50	
Sale of coupon books.	4,213. 00	
Balance outstanding last report.	36,316. 94	
		88,063. 73

COLLECTIONS.

Cash sales, at 2 cents, Mexican.	4,545. 03	
Cash sales, at 1 cent, Philippine currency.	777. 90	
Sale of distilled-water cards.	290. 00	
Sale of coupon books.	4,213. 00	
Outstanding accounts:		
Miscellaneous revenues.	1,924. 48	
From officers and civilians.	5,997. 47	
From Army, Navy, and marines.	10,880. 66	
From government bureaus.	1,223. 05	
		29,851. 59
Balance outstanding.		58,212. 14
Coupons outstanding last report.	1,464. 56	
Sold during the month.	4,213. 00	
		5,677. 56
Delivered on coupons during month.		4,052. 50
Outstanding August 31.		1,625. 06

Respectfully submitted.

LEON S. RONDIEZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
 OFFICE OF THE SUPERINTENDENT,
Manila, P. I., October 10, 1903.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of September, 1903.

ICE ACCOUNTS.

On hand September 1, as per last report. pounds. .	232,500	
Drawn during the month. do. .	2,517,600	
		2,750,100
Delivered during the month. do. .	2,448,311	
On hand September 30. do. .	115,500	
Wastage during the month. do. .	186,289	
		2,750,100

EARNINGS.

Cold storage:

Contract with Subsistence Department, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20,938.33	
Contract with U. S. Navy, 9,979 cubic feet, at 6 cents per cubic foot.....	598.74	
José Flameno, perishable sundries.....	128.17	
		P 21,665.24

Ice sales—Book accounts:

Army, Navy, and marines.....	11,611.11	
Officers and civilians.....	4,897.55	
Government bureaus.....	1,318.40	
Cash sales.....	4,236.78	
Ice coupon books.....	4,258.00	
		26,321.84

Water sales—Book accounts.

Officers and civilians and government bureaus.....	364.20	
Water cards.....	346.00	
Cash sales.....	.60	
		710.80

Miscellaneous revenues:

Electric current.....	60.50	
Rent of lorchas.....	50.00	
		110.50

Total earnings.....		48,808.38
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Collections:

Business prior to September 1, 1903.....	21,145.58	
Business since September 1, 1903.....	325.15	
		21,470.73

Respectfully submitted.

LEON S. ROUDIEZ,

Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., November 2, 1903.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of October, 1903.

ICE ACCOUNTS.

On hand October, as per last report.....pounds..	115,500	
Drawn during the month.....do.....	2,780,400	
		2,895,900
Delivered during the month.....do.....	2,538,474	
On hand October 31.....do.....	214,000	
Wastage during the month.....do.....	113,426	
		2,895,900

EARNINGS.

Cold storage:

Contract with Subsistence Department 299,119 cubic feet, at 7 cents per cubic foot.....	P 20,938.33	
Contract with U. S. Navy 9,979 cubic feet, at 6 cents per cubic foot.....	598.74	
José Flameno, perishable sundries.....	102.92	
		P 21,639.99

Ice sales—book accounts:

Army, Navy, and Marines.....	11,655.29	
Officers and civilians.....	5,707.94	
Government bureaus.....	1,364.65	
Cash sales.....	3,541.13	
Ice coupon books.....	4,324.00	
		26,593.01

Water sales—book accounts:		
Officers, civilians, and government bureaus	P 373. 40	
Water cards.....	310. 00	
		P 683. 40
Miscellaneous revenues:		
Electric current.....	60. 50	
Rent of lorchas.....	130. 00	
		190. 50
Total earnings.....		49, 106. 90
Collections:		
Business prior to September 1, 1903.....		2, 098. 34
Business since September 1, 1903.....		18, 678. 51
		20, 776. 85

Respectfully submitted.

LEON S. ROUDIEZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
 OFFICE OF THE SUPERINTENDENT,
Manila, P. I., December 2, 1903.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of November, 1903.

ICE ACCOUNT.

On hand November 1 as per last report..... pounds..	244, 000	
Drawn during the month..... do.....	2, 599, 800	
		2, 843, 800
Delivered during the month..... do.....	2, 548, 482	
On hand November 30, 1903..... do.....	187, 800	
Wastage during the month..... do.....	107, 518	
		2, 843, 800

EARNINGS.

Cold storage:		
Contract with subsistence department, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20, 938. 33	
Extra space furnished subsistence department 42,418 cubic feet, at 7 cents per cubic foot.....	2, 969. 26	
Contract with U. S. Navy, 9,979 cubic feet, at 6 cents per cubic foot.....	598. 74	
José Flamenó, perishable sundries.....	7. 70	
		P 24, 514. 03
Ice sales—book accounts:		
Army, Navy, and Marines.....	12, 165. 35	
Officers and civilians.....	5, 308. 39	
Government bureaus.....	1, 350. 30	
Cash sales.....	3, 821. 11	
Ice coupon books.....	3, 974. 00	
		26, 619. 15
Water sales—book accounts:		
Officers and government bureaus	347. 00	
Water cards.....	280. 00	
		627. 00
Miscellaneous revenues:		
Electric current.....	60. 50	
Rent of lorchas.....	50. 00	
		110. 50
Total earnings.....		51, 870. 68

Collections:

Business prior to September 1, 1903.....	42,093.78
Business since September 1, 1903.....	70,031.57

112, 125.35

Respectfully submitted.

LEON S. ROUDEIZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., January 2, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of December, 1903.

ICE ACCOUNT.

On hand December 1 as per last report.....pounds..	187,800	
Drawn during the month.....do.....	3,235,200	
		3,423,000
Delivered during the month.....do.....	2,434,592	
On hand December 31.....do.....	800,100	
Wastage during the month.....do.....	188,308	
		<u>3,423,000</u>

EARNINGS.

Cold storage:

Contract with subsistence department, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20,938.33	
Contract with U. S. Navy, 9,979 cubic feet, at 6 cents per cubic foot.....	598.74	
		P 21,537.07

Ice sales—book accounts:

Army, Navy, and Marines.....	11,957.15	
Officers and civilians.....	5,769.85	
Government bureaus.....	1,391.90	
Cash sales.....	3,572.71	
Ice coupon books.....	4,004.00	
		26,695.61

Water sales—book accounts:

Officers and government bureaus.....	321.60	
Water cards.....	324.00	
		645.60

Miscellaneous revenues:

Electric current.....	60.50	
Rent of lorchas.....	100.00	
		160.50

Total earnings.....49,038.78

Collections:

Business prior to September 1, 1903.....	296.82
Business since September 1, 1903.....	51,771.72

52,068.54

Respectfully submitted.

LEON S. ROUDEIZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., February 3, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of January, 1904.

ICE ACCOUNT.

On hand January 1 as per last report.....pounds.	800, 100	
Drawn during the month.....do....	2, 655, 600	
		3, 455, 700
Delivered during the month.....do....	2, 153, 859	
On hand January 31.....do....	1, 023, 900	
Wastage during the month.....do....	277, 941	
		3, 455, 700

EARNINGS.

Cold storage:		
Contract with subsistence department, U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20, 938. 33	
Contract with U. S. Navy, 9,979 cubic feet, at 6 cents per cubic foot.....	598. 74	
		P 21, 537. 07
Ice sales—book accounts:		
Army, Navy, and Marines.....	10, 538. 42	
Officers and civilians.....	5, 484. 25	
Government bureaus.....	1, 463. 75	
Cash sales.....	2, 445. 55	
Ice coupon books.....	3, 295. 00	
		23, 226. 97
Water sales—book accounts:		
Officers and government bureaus.....	412. 20	
Water cards.....	328. 00	
		740. 20
Miscellaneous revenues:		
Electric current.....	60. 50	
Rent of lorchas.....	150. 00	
		210. 50
Total earnings.....		45, 714. 74
Collections:		
Business prior to September 1, 1903.....	331. 58	
Business since September 1, 1903.....	41, 338. 02	
		41, 669. 60

Respectfully submitted.

LEON S. ROUDIEZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., March 5, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of February, 1904.

ICE ACCOUNT.

On hand February 1, as per last report.....pounds..	1, 023, 900	
Drawn during the month.....do....	2, 077, 200	
		3, 101, 100
Delivered during the month.....do....	2, 138, 349	
On hand February 29.....do....	910, 200	
Wastage during the month.....do....	52, 551	
		3, 101, 100

EARNINGS.

Cold storage:

Contract with Subsistence Department, U. S. Army, 299,119 cubic feet at 7 cents per cubic foot.....	P 20,938. 33
Contract with U. S. Navy, 9,979 cubic feet at 6 cents per cubic foot.....	598. 74
	<hr/> P 21,537. 07

Ice sales—book accounts:

Army, Navy, and marines.....	9,718. 93
Officers and civilians.....	5,373. 04
Government bureaus.....	1,382. 10
Cash sales.....	2,476. 40
Ice coupon books.....	3,410. 00
	<hr/> 22,360. 47

Water sales—book accounts:

Officers and government bureaus.....	372. 60
Water cards.....	336. 00
	<hr/> 708. 60

Miscellaneous revenues:

Electric current.....	302. 88
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Total earnings.....	<hr/> 44,909. 02
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Collections:

Business prior to September 1, 1903.....	8. 14
Business since September 1, 1903.....	46,294. 02

46,302. 16

Respectfully submitted.

LEON S. ROUDIEZ,
Captain Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., April 11, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of March, 1904:

ICE ACCOUNT.

On hand March 1, as per last report.....pounds..	910,200
Drawn during the month.....do.....	3,007,200
	<hr/> 3,917,400
Delivered during the month.....do.....	2,505,813
On hand March 31, 1904.....do.....	1,146,900
Wastage during the month.....do.....	264,687
	<hr/> 3,917,400

EARNINGS.

Cold storage:

Contract with Subsistence Department, U. S. Army, 299,119 cubic feet at 7 cents per cubic foot.....	P 20,938. 33
Contract with U. S. Navy, 9,979 cubic feet at 6 cents per cubic foot.....	598. 74
Cold storage space rented to sundry persons.....	239. 72
	<hr/> P 21,776. 79

Ice sales—book accounts:

Army, Navy, and marines.....	11,594. 20
Officers and civilians.....	6,183. 30
Government bureaus.....	1,460. 20
Cash sales.....	3,317. 40
Ice coupon books.....	3,953. 00
	<hr/> 26,508. 10

Water sales—book accounts:

Officers and government bureaus.....	412. 52
Water tickets.....	334. 00
	<hr/> 746. 52

Miscellaneous revenues:

Electric current.....	P184. 02	
Charging storage batteries.....	10. 00	
Sale of scrap iron.....	25. 00	
		<u>P219. 02</u>

Total earnings.....	<u>49,250. 43</u>
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Collections:

Business prior to September 1, 1903.....	52. 70
Business since September 1, 1903.....	38,440. 18

	<u>38,492. 88</u>
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Respectfully submitted.

LEON S. ROUDIEZ,
Captain Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., May 10, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of April, 1904:

ICE ACCOUNT.

On hand April 1, as per last report.....pounds..	1,146,900	
Drawn during the month.....do....	2,150,400	
		<u>3,297,300</u>
Delivered during the month.....do....	2,563,141	
On hand April 30, 1904.....do....	636,000	
Wastage during the month.....do....	98,159	
		<u>3,297,300</u>

EARNINGS.

Cold storage:

Contract with Subsistence Department, U. S. Army, 299,119 cubic feet at 7 cents per cubic foot.....	P20,938. 33	
Contract with U. S. Navy, 9,979 cubic feet at 6 cents per cubic foot.....	598. 74	
Cold storage space rented to sundry persons.....	95. 08	
		<u>P21,632. 15</u>

Ice sales:

Army, Navy, and marines.....	10,852. 99	
Officers and civilians.....	6,398. 10	
Government bureaus.....	1,498. 10	
Cash sales.....	4,334. 45	
Ice coupon books.....	4,394. 00	
		<u>27,477. 64</u>

Water sales:

Officers and government bureaus.....	391. 68	
Water tickets.....	294. 00	
		<u>685. 68</u>

Miscellaneous revenues:

Electric current.....	158. 34	
		<u>49,953. 81</u>

Collections:

Business prior to September 1, 1903.....	74. 00
Business since September 1, 1903.....	42,298. 61

	<u>42,372. 61</u>
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Respectfully submitted.

LEON S. ROUDIEZ,
Captain Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., June 15, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of May, 1904:

ICE ACCOUNTS.

On hand May 1, as per last report.....pounds..	636,000	
Drawn during the month.....do.....	2,654,400	
		3,290,400
Delivered during the month.....do.....	2,976,065	
On hand May 31, 1904.....do.....	206,400	
Wastage during the month.....do.....	107,935	
		<u>3,280,400</u>

EARNINGS.

Cold storage:		
Contract with Subsistence Department, U. S. Army, 299,119 cubic feet at 7 cents per cubic foot.....	P 20,938.33	
Contract with U. S. Navy, 9,979 cubic feet at 6 cents per cubic foot.....	598.74	
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....	903.98	
Cold storage space rented to sundry persons.....	266.17	
		<u>P 22,707.22</u>
Ice sales:		
Army, Navy, and Marines.....	12,680.83	
Officers and civilians.....	7,199.00	
Government bureaus.....	1,564.45	
Cash sales.....	5,545.34	
Ice coupon books.....	4,998.00	
		<u>31,987.62</u>
Water sales:		
Government bureaus.....	401.32	
Water tickets.....	334.00	
		<u>735.32</u>
Miscellaneous revenues:		
Electric current.....	136.80	
Sales of barrels, etc.....	21.50	
		<u>158.30</u>
Total earnings.....		<u><u>55,588.46</u></u>
Collections:		
Business prior to September 1, 1903.....	65.50	
Business since September 1, 1903.....	19,764.48	
		<u>19,829.98</u>

Respectfully submitted.

LEON S. ROUDIEZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., July 5, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of June, 1904.

ICE ACCOUNT.

On hand May 31, as per last report.....pounds..	206,400	
Drawn during the month.....do.....	3,005,400	
		<u>3,211,800</u>

Delivered during the month.....	pounds..	2,794,197	
On hand June 30, 1904.....	do....	383,100	
Wastage during the month.....	do....	34,503	
			<u>3,211,800</u>

EARNINGS.

Cold storage:

Contract with Subsistence Department, U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20,938.33	
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....	2,500.00	
Contract with U. S. Navy, 9,979 cubic feet, at 6 cents per cubic foot.....	598.74	
		<u>P 24,037.07</u>

Ice sales:

Army, Navy, and Marines.....	11,351.95	
Officers and civilians.....	7,437.98	
Government bureaus.....	1,590.05	
Cash sales.....	4,183.99	
Ice coupon books.....	5,392.00	
		<u>29,955.97</u>

Water sales:

Government bureaus.....	438.32	
Water tickets.....	392.00	
		<u>830.32</u>

Miscellaneous revenues:

Electric current.....	167.52	
Sale of barrels.....	75.00	
		<u>242.52</u>

Total earnings..... 55,065.88

Collections:

Business prior to September 1, 1903.....	None.	
Business since September 1, 1903.....	64,855.84	
		<u>64,855.84</u>

Respectfully submitted.

LEON S. ROUDIEZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

Statement of expenditures of insular cold storage and ice plant during the month of July, 1903.

SALARIES AND WAGES.

Office force and sales department.....	P 3,181.96	
Engineering and manufacturing department.....	5,625.13	
Land transportation.....	2,868.98	
Water transportation.....	2,038.66	
Maintenance and care of buildings.....	2,723.40	
Per diems for officer in charge.....	310.00	
Total.....		<u>16,748.13</u>

INCIDENTAL CONTINGENT EXPENSES.

Per diems for officer in charge:

Fiscal year 1901.....	P 1,360.00	
Fiscal year 1902.....	920.00	
Post-office box rent.....	8.00	
Repair to typewriter.....	5.20	
Total.....		<u>2,293.20</u>

WATER TRANSPORTATION.

95 gallons Colza burning oil.....	P 112. 86
100 pounds spikes, galvanized-iron boat.....	12. 10
Total.....	124. 96

LAND TRANSPORTATION.

10 pounds white castile soap (rate, 2. 45).....	P 3. 14
17,100 pounds hay.....	605. 68
216 pounds axle grease (rate, 2. 38).....	28. 35
4 sets double harness.....	501. 60
19,360 pounds rice straw (rate, 2. 38).....	178. 87
1 revolving spring punch.....	2. 75
Total.....	1, 320. 39

CARE AND MAINTENANCE OF BUILDINGS.

45 rolls ribbon, tricolor.....	P 59. 40
48 plumes, tricolor.....	11. 18
791 yards bunting, tricolor.....	113. 11
50 rolls festooning paper.....	15. 98
12 flags, 30 by 50.....	3. 85
18 flags, 36 by 56.....	7. 00
30 rolls festooning paper.....	23. 10
6 gimlet bits (rate, 2.38).....	2. 22
100 pounds paint, dry Russian blue (rate, 2. 38).....	69. 33
32 pounds lag screws.....	11. 26
Total.....	316. 43

CARE AND MAINTENANCE OF MACHINERY.

79 pounds iron castings (rate, 2.45).....	P 12. 76
14 inlet valves.....	140. 76
6 outlet valves.....	64. 42
288 sheets emery cloth.....	11. 09
3 iron oil tanks (rate, 2.38).....	2, 132. 52
1 iron tank (rate, 2. 38).....	351. 26
6 black unions.....	5. 28
6 black tees.....	2. 24
6 globe valves.....	29. 70
8 pounds flax packing, $\frac{3}{4}$ -inch (square).....	6. 34
4 pounds flax packing, $\frac{1}{2}$ -inch (square).....	3. 17
Total.....	2, 759. 54

COAL.

1,678 tons coal.....	P 21, 965. 02
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RECAPITULATION.

Salaries and wages.....	P 16, 748. 13
Incidental contingent expenses.....	2, 293. 20
Water transportation.....	124. 96
Land transportation.....	1, 320. 39
Care and maintenance of buildings.....	316. 43
Care and maintenance of machinery.....	2, 759. 54
Coal.....	21, 965. 02
Total.....	45, 527. 67

Delivered during the month.....	pounds.....	2,794, 197	
On hand June 30, 1904.....	do.....	383, 100	
Wastage during the month.....	do.....	34, 503	
			<u>3, 211, 800</u>

EARNINGS.

Cold storage:			
Contract with Subsistence Department, U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....		P 20, 938. 33	
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....		2, 500. 00	
Contract with U. S. Navy, 9,979 cubic feet, at 6 cents per cubic foot.....		598. 74	
			<u>P 24, 037. 07</u>
Ice sales:			
Army, Navy, and Marines.....		11, 351. 95	
Officers and civilians.....		7, 437. 98	
Government bureaus.....		1, 590. 05	
Cash sales.....		4, 183. 99	
Ice coupon books.....		5, 392. 00	
			<u>29, 955. 97</u>
Water sales:			
Government bureaus.....		438. 32	
Water tickets.....		392. 00	
			<u>830. 32</u>
Miscellaneous revenues:			
Electric current.....		167. 52	
Sale of barrels.....		75. 00	
			<u>242. 52</u>
Total earnings.....			<u>55, 065. 88</u>
Collections:			
Business prior to September 1, 1903.....			None.
Business since September 1, 1903.....			<u>64, 855. 84</u>
			64, 855. 84

Respectfully submitted.

LEON S. RONDIEZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

Statement of expenditures of insular cold storage and ice plant during the month of July, 1903.

SALARIES AND WAGES.

Office force and sales department.....	P 3, 181. 96
Engineering and manufacturing department.....	5, 625. 13
Land transportation.....	2, 868. 98
Water transportation.....	2, 038. 66
Maintenance and care of buildings.....	2, 723. 40
Per diems for officer in charge.....	310. 00
Total.....	<u>16, 748. 13</u>

INCIDENTAL CONTINGENT EXPENSES.

Per diems for officer in charge:	
Fiscal year 1901.....	P 1, 340. 00
Fiscal year 1902.....	920. 00
Post-office box rent.....	8. 00
Repair to typewriter.....	5. 20
Total.....	<u>2, 263. 20</u>

WATER TRANSPORTATION.

95 gallons Colza burning oil.....	P 112. 86
100 pounds spikes, galvanized-iron boat.....	12. 10
Total.....	124. 96

LAND TRANSPORTATION.

10 pounds white castile soap (rate, 2. 45).....	P 3. 14
17,100 pounds hay.....	605. 68
216 pounds axle grease (rate, 2. 38).....	28. 35
4 sets double harness.....	501. 60
19,360 pounds rice straw (rate, 2. 38).....	178. 87
1 revolving spring punch.....	2. 75
Total.....	1, 320. 39

CARE AND MAINTENANCE OF BUILDINGS.

45 rolls ribbon, tricolor.....	P 59. 40
48 plumes, tricolor.....	11. 18
791 yards bunting, tricolor.....	113. 11
50 rolls festooning paper.....	15. 98
12 flags, 30 by 50.....	3. 85
18 flags, 36 by 56.....	7. 00
30 rolls festooning paper.....	23. 10
6 gimlet bits (rate, 2.38).....	2. 22
100 pounds paint, dry Russian blue (rate, 2. 38).....	69. 33
32 pounds lag screws.....	11. 26
Total.....	316. 43

CARE AND MAINTENANCE OF MACHINERY.

79 pounds iron castings (rate, 2.45).....	P 12. 76
14 inlet valves.....	140. 76
6 outlet valves.....	64. 42
288 sheets emery cloth.....	11. 09
3 iron oil tanks (rate, 2.38).....	2, 132. 52
1 iron tank (rate, 2. 38).....	351. 26
6 black unions.....	5. 28
6 black tees.....	2. 24
6 globe valves.....	29. 70
8 pounds flax packing, $\frac{3}{4}$ -inch (square).....	6. 34
4 pounds flax packing, $\frac{1}{2}$ -inch (square).....	3. 17
Total.....	2, 759. 54

COAL.

1,678 tons coal.....	P 21, 965. 02
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RECAPITULATION.

Salaries and wages.....	P 16, 748. 13
Incidental contingent expenses.....	2, 293. 20
Water transportation.....	124. 96
Land transportation.....	1, 320. 39
Care and maintenance of buildings.....	316. 43
Care and maintenance of machinery.....	2, 759. 54
Coal.....	21, 965. 02
Total.....	45, 527. 67

Delivered during the month.....	pounds..	2,794,197	
On hand June 30, 1904.....	do.....	383,100	
Wastage during the month.....	do.....	34,503	
			<u>3,211,800</u>

EARNINGS.

Cold storage:			
Contract with Subsistence Department, U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....		P 20,938.33	
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....		2,500.00	
Contract with U. S. Navy, 9,979 cubic feet, at 6 cents per cubic foot.....		598.74	
			<u>P 24,037.07</u>
Ice sales:			
Army, Navy, and Marines.....		11,351.95	
Officers and civilians.....		7,437.98	
Government bureaus.....		1,590.05	
Cash sales.....		4,183.99	
Ice coupon books.....		5,392.00	
			<u>29,955.97</u>
Water sales:			
Government bureaus.....		438.32	
Water tickets.....		392.00	
			<u>830.32</u>
Miscellaneous revenues:			
Electric current.....		167.52	
Sale of barrels.....		75.00	
			<u>242.52</u>
Total earnings.....			<u>55,065.88</u>
Collections:			
Business prior to September 1, 1903.....			None.
Business since September 1, 1903.....			<u>64,855.84</u>
			64,855.84

Respectfully submitted.

LEON S. ROUDIEZ,
Captain, Twenty-fifth Infantry, U. S. Army, Superintendent.

Statement of expenditures of insular cold storage and ice plant during the month of July, 1903.

SALARIES AND WAGES.

Office force and sales department.....	P 3,181.96
Engineering and manufacturing department.....	5,625.13
Land transportation.....	2,868.98
Water transportation.....	2,038.66
Maintenance and care of buildings.....	2,723.40
Per diems for officer in charge.....	310.00
Total.....	<u>16,748.13</u>

INCIDENTAL CONTINGENT EXPENSES.

Per diems for officer in charge:	
Fiscal year 1901.....	P 1,360.00
Fiscal year 1902.....	920.00
Post-office box rent.....	8.00
Repair to typewriter.....	5.20
Total.....	<u>2,293.20</u>

WATER TRANSPORTATION.

95 gallons Colza burning oil.....	P 112. 86
100 pounds spikes, galvanized-iron boat.....	12. 10
Total.....	124. 96

LAND TRANSPORTATION.

10 pounds white castile soap (rate, 2. 45).....	P 3. 14
17,100 pounds hay.....	605. 68
216 pounds axle grease (rate, 2. 38).....	28. 35
4 sets double harness.....	501. 60
19,360 pounds rice straw (rate, 2. 38).....	178. 87
1 revolving spring punch.....	2. 75
Total.....	1, 320. 39

CARE AND MAINTENANCE OF BUILDINGS.

45 rolls ribbon, tricolor.....	P 59. 40
48 plumes, tricolor.....	11. 18
791 yards bunting, tricolor.....	113. 11
50 rolls festooning paper.....	15. 98
12 flags, 30 by 50.....	3. 85
18 flags, 36 by 56.....	7. 00
30 rolls festooning paper.....	23. 10
6 gimlet bits (rate, 2.38).....	2. 22
100 pounds paint, dry Russian blue (rate, 2. 38).....	69. 33
32 pounds lag screws.....	11. 26
Total.....	316. 43

CARE AND MAINTENANCE OF MACHINERY.

79 pounds iron castings (rate, 2.45).....	P 12. 76
14 inlet valves.....	140. 76
6 outlet valves.....	64. 42
288 sheets emery cloth.....	11. 09
3 iron oil tanks (rate, 2.38).....	2, 132. 52
1 iron tank (rate, 2. 38).....	351. 26
6 black unions.....	5. 28
6 black tees.....	2. 24
6 globe valves.....	29. 70
8 pounds flax packing, $\frac{3}{4}$ -inch (square).....	6. 34
4 pounds flax packing, $\frac{1}{2}$ -inch (square).....	3. 17
Total.....	2, 759. 54

COAL.

1,678 tons coal.....	P 21, 965. 02
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RECAPITULATION.

Salaries and wages.....	P 16, 748. 13
Incidental contingent expenses.....	2, 293. 20
Water transportation.....	124. 96
Land transportation.....	1, 320. 39
Care and maintenance of buildings.....	316. 43
Care and maintenance of machinery.....	2, 759. 54
Coal.....	21, 965. 02
Total.....	45, 527. 67

Statement of expenditures of insular cold storage and ice plant during the month of August, 1903.

SALARIES AND WAGES.

Office force.....	P3, 264. 62
Cold storage and sales department.....	885. 50
Engineering and manufacturing department.....	4, 403. 37
Land transportation department.....	3, 175. 38
Water transportation department.....	2, 004. 14
Maintenance and care of buildings and grounds.....	2, 480. 96
Per diems for officer in charge.....	310. 00
Supplementary salaries and wages to June, 1903.....	193. 34
Total.....	16, 717. 31

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent for July.....	P12. 00
Repairs to typewriter.....	16. 20
Total.....	28. 20

IMPROVEMENT OF PLANT.

Salaries and wages.....	P170. 44
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WATER TRANSPORTATION DEPARTMENT.

1 coil rope, $\frac{1}{2}$ -inch.....	P17. 49
1 sheet red fiber packing.....	24. 20
1 coil rope, $\frac{1}{4}$ -inch.....	4. 84
48 bamboo poles.....	16. 90
Total.....	63. 43

LAND TRANSPORTATION DEPARTMENT.

6 curry cards.....	P1. 65
1 pair shears, clipping.....	2. 20
1 pair ball-bearing clippers.....	3. 85
32 papers saddle nails.....	8. 80
6 pounds rivets and burrs, assorted.....	4. 75
30 snaps, swivel, assorted.....	3. 59
6 whips.....	39. 60
6 whipstocks.....	3. 96
6 lashes, buckskin.....	13. 20
3 $\frac{1}{2}$ pounds beeswax.....	5. 13
3 pounds black wax.....	. 66
1 horse syringe.....	2. 20
2 pounds sponges.....	5. 06
4 horse collars.....	28. 25
14 pair hame housings.....	415. 80
6 pounds harness thread, assorted.....	17. 16
54 pounds harness soap.....	12. 12
One-half gross axle grease (1-pound boxes).....	12. 67
144 boxes metal polish.....	12. 67
62 packages assorted needles.....	13. 66
108 harness buckles.....	3. 89
60 loops twine, assorted.....	3. 59
3 harness knives.....	3. 08
1 washer cutter.....	2. 75
1 pair trimmer's shears.....	2. 75
24 roller snaps.....	9. 35
60 halter squares.....	2. 75
30 loops and rings, halter.....	1. 98
60 open links.....	3. 74
30 rattan brooms.....	27. 50
48 packages harness needles.....	8. 80
24 collar needles.....	1. 10
30 awl blades, assorted.....	2. 20
24 hame starts.....	2. 64

24 hame rollers.....	P 3.30
24 hame bolts.....	3.30
1 cutting nippers.....	1.98
1 wagon jack.....	4.95
1 jack excelsior.....	6.05
72 hame loops.....	3.96
90 snaps, assorted.....	5.24
24 trace hooks.....	8.80
60 harness rings, assorted.....	8.82
120 buckles, Boston, assorted.....	8.25
2 rivet sets.....	2.20
4 round punches, assorted.....	2.64
1 collar awl.....	.66
1 rim-trimming tool.....	.77
1 lacing awl.....	.44
1 oilstone.....	4.40
1 leather compass.....	1.43
1 carriage box for finishing wheels.....	1.98
6 finishing wheels.....	3.30
4 hammers, assorted.....	4.95
6 thimbles, assorted.....	.84
4 awl hafts.....	2.20
1 draw gauge.....	2.20
1 pad awl.....	.88
1 thong awl.....	.55
1 drawing awl.....	.66
12 awl blades.....	1.10
1 spokeshave.....	3.08
50 pounds creoline.....	29.70
11,500 pounds oats.....	379.50
5,610 pounds hay.....	197.47
25 Putz pomade.....	22.00
80 rims for wagon wheels.....	359.04
11,390 pounds hay.....	400.93
12 brushes, horse.....	8.61
Total.....	2,169.28

MAINTENANCE AND CARE OF BUILDINGS AND GROUNDS.

5 gallons varnish.....	P 13.42
90 gallons turpentine.....	128.70
4 dozen sulphur fumigators.....	15.40
6 palmetto brushes.....	5.28
72 brooms, corn.....	42.77
640 pounds native laundry soap.....	79.42
12 drawer locks.....	11.62
12 padlocks.....	14.26
6 pairs strap hinges.....	.40
6 whetstones.....	3.96
2 oilstones.....	3.30
12 gallons Rubirine paint.....	39.60
20 barrels cement.....	112.77
Total.....	470.90

ELECTRICAL SUPPLIES.

4 armatures, complete.....	P 1,813.90
5 sets journal sleeves.....	402.60
2 sets field coils.....	322.08
1 set brush holders.....	53.68
1 voltmeter.....	60.39
1 amperemeter.....	87.23
12 wattmeters.....	746.15
Total.....	3,486.03

CARE AND MAINTENANCE OF MACHINERY.

22 gross lag screws.....	P18. 61
203 pounds packing asbestos.....	245. 63
8 barrels cylinder oil.....	613. 14
142 oil-cup glasses.....	64. 11
50 pounds flax packing.....	66. 00
108 bushings, assorted.....	15. 05
50 pounds graphite.....	38. 50
24 castings.....	103. 95
94½ square feet lace leather.....	34. 83
1 mechanical stoker with fittings.....	1, 050. 50
4 dead plates.....	116. 82
1 boiler front with doors.....	467. 19
15 pounds graphite.....	11. 55
82 pounds packing, assorted.....	129. 23
409 castings.....	59. 92
6 boxes Amazon packing.....	15. 71
12 files, assorted.....	5. 15
Total.....	3, 055. 89

COAL.

753 tons Yunokibara coal.....	9, 856. 77
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OFFICE SUPPLIES.

2 stools, high.....	22. 00
7 rubber stamps.....	2. 75
1,000 envelopes.....	2. 57
27 reams typewriter paper.....	52. 87
Total.....	80. 19

RECAPITULATION.

Salaries and wages.....	16, 717. 31
Incidental contingent expenses.....	28. 20
Improvement of plant.....	170. 44
Water transportation.....	63. 43
Land transportation.....	2, 169. 28
Care and maintenance of buildings.....	470. 90
Care and maintenance of machinery.....	3, 055. 89
Electrical supplies.....	3, 485. 03
Coal.....	9, 856. 77
Office supplies.....	80. 19
Total expenditures.....	36, 098. 44

Statement of expenditures of insular cold storage and ice plant during the month of September, 1903.

SALARIES AND WAGES.

Office force.....	P3, 343. 28
Cold storage and sales department.....	971. 50
Engineering and manufacturing department.....	4, 123. 62
Water transportation department.....	1, 979. 32
Land transportation department.....	2, 903. 72
Maintenance and care of buildings and grounds.....	2, 446. 32
Per diem officer in charge.....	110. 00
Salary superintendent.....	380. 00
Total.....	16, 257. 76

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent.....	12. 00
Repairs to typewriters.....	5. 00
Total.....	17. 00

CARE AND MAINTENANCE OF MACHINERY.

3 files.....	P0. 99
117½ pounds packing, assorted.....	154. 35
8 pounds lamp wicking.....	4. 57
12 shafting cups, brass.....	10. 56
50 lubricators.....	7. 70
3 gasoline drums.....	29. 70
45 files, assorted.....	9. 57
45 files, assorted.....	7. 04
2,000 pounds cotton waste.....	396. 00
62½ gallons mineral oil.....	17. 67
84 files, assorted.....	8. 42
42 files, assorted.....	8. 66
21 files, assorted.....	2. 88
40 pounds steel forgings.....	15. 84
501½ gallons vacuoline oil.....	612. 61
313½ gallons cylinder oil.....	548. 97
10 gallons colza oil.....	17. 38
10 pounds asbestos.....	16. 50
23 pounds packing.....	20. 24
32 lubricating cups, brass, assorted.....	25. 52
62 lubricating candles, assorted.....	7. 34
730 pounds caustic soda.....	576. 07
1 spiral staircase.....	291. 54
2 gross gauge glasses, assorted.....	198. 00
63 pounds sheet rubber C. L.....	34. 65
12½ pounds wicking.....	8. 25
46½ pounds iron.....	3. 21
9 cases, 10 crates, finishing parts.....	3, 354. 50
48 files.....	8. 22
259 pounds iron.....	17. 24
173½ feet black iron pipe.....	22. 87
63 tons coal, Australian.....	873. 16
1 barrel oil.....	106. 39
1 special blast wheel.....	1, 598. 08
305 feet black pipe.....	27. 08

Total, insular purchasing agent's commission included..... 9,041. 77

OFFICE.

12 gross rubber bands.....	\$7. 17
6 sets index tablets.....	19. 80
18 sets index tablets, improved.....	19. 80
12 gross rubber bands.....	3. 80
300 scratch pads, assorted.....	34. 28
6 gross Spencerian pens.....	9. 24

Total, insular purchasing agent's commission included..... 94. 09

WATER TRANSPORTATION DEPARTMENT.

40 gallons coconut oil.....	\$52. 80
12 balls sail twine.....	4. 35
1 gross brass grumnets.....	9. 50
62½ gallons mineral oil.....	17. 67

Total, insular purchasing agent's commission included..... 84. 32

LAND TRANSPORTATION DEPARTMENT.

12 currycombs.....	\$5. 02
3 files, rasp shoeing.....	1. 36
12 pints Sunshine metal polish.....	4. 84
46½ pounds iron.....	3. 21
259 pounds iron.....	17. 24
9,642 pounds palay.....	403. 04

Total, insular purchasing agent's commission included..... 434. 71

CARE AND MAINTENANCE OF MACHINERY.

22 gross lag screws.....	P 18.61
203 pounds packing asbestos.....	245.63
8 barrels cylinder oil.....	613.14
142 oil-cup glasses.....	64.11
50 pounds flax packing.....	66.00
108 bushings, assorted.....	15.05
50 pounds graphite.....	38.50
24 castings.....	103.95
94½ square feet lace leather.....	34.83
1 mechanical stoker with fittings.....	1,050.50
4 dead plates.....	116.82
1 boiler front with doors.....	467.19
15 pounds graphite.....	11.55
82 pounds packing, assorted.....	129.23
409 castings.....	59.92
6 boxes Amazon packing.....	15.71
12 files, assorted.....	5.15
Total.....	3,055.89

COAL.

753 tons Yunokibara coal.....	9,856.77
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OFFICE SUPPLIES.

2 stools, high.....	22.00
7 rubber stamps.....	2.75
1,000 envelopes.....	2.57
27 reams typewriter paper.....	52.87
Total.....	80.19

RECAPITULATION.

Salaries and wages.....	16,717.31
Incidental contingent expenses.....	28.20
Improvement of plant.....	170.44
Water transportation.....	63.43
Land transportation.....	2,169.28
Care and maintenance of buildings.....	470.90
Care and maintenance of machinery.....	3,055.89
Electrical supplies.....	3,486.03
Coal.....	9,856.77
Office supplies.....	80.19

Total expenditures.....

*Statement of expenditures of insular cold storage and ice plant during the month
1903.*

SALARIES AND WAGES.

Office force.....	
Cold storage and sales department.....	
Engineering and manufacturing department.....	
Water transportation department.....	
Land transportation department.....	
Maintenance and care of buildings and grounds.....	
Per diem officer in charge.....	
Salary superintendent.....	

Total.....

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent.....	
Repairs to typewriters.....	

Total.....

CARE AND MAINTENANCE OF MACHINERY.

3 files.....	P0. 99
117½ pounds packing, assorted.....	154. 35
8 pounds lamp wicking.....	4. 57
12 shafting cups, brass.....	10. 56
50 lubricators.....	7. 70
3 gasoline drums.....	29. 70
45 files, assorted.....	9. 57
45 files, assorted.....	7. 04
2,000 pounds cotton waste.....	396. 00
62½ gallons mineral oil.....	17. 67
84 files, assorted.....	8. 42
42 files, assorted.....	8. 66
21 files, assorted.....	2. 88
40 pounds steel forgings.....	15. 84
501½ gallons vacuoline oil.....	612. 61
313½ gallons cylinder oil.....	548. 97
10 gallons colza oil.....	17. 38
10 pounds asbestos.....	16. 50
23 pounds packing.....	20. 24
32 lubricating cups, brass, assorted.....	25. 52
62 lubricating candles, assorted.....	7. 34
730 pounds caustic soda.....	576. 07
1 spiral staircase.....	291. 54
2 gross gauge glasses, assorted.....	198. 00
63 pounds sheet rubber C. I.....	34. 65
12½ pounds wicking.....	8. 25
46½ pounds iron.....	3. 21
9 cases, 10 crates, finishing parts.....	3, 354. 50
48 files.....	8. 22
250 pounds iron.....	17. 24
173½ feet black iron pipe.....	22. 87
63 tons coal, Australian.....	873. 16
1 barrel oil.....	106. 39
1 special blast wheel.....	1, 598. 08
305 feet black pipe.....	27. 08

Total, insular purchasing agent's commission included..... 9, 041. 77

OFFICE.

12 gross rubber bands.....	\$7. 17
6 sets index tablets.....	19. 80
18 sets index tablets, improved.....	19. 80
12 gross rubber bands.....	3. 80
300 scratch pads, assorted.....	34. 28
6 gross Spencerian pens.....	9. 24

Total, insular purchasing agent's commission included..... 94. 09

WATER TRANSPORTATION DEPARTMENT.

40 gallons cocoanut oil.....	\$52. 80
12 balls sail twine.....	4. 35
1 gross brass grummetts.....	9. 50
62½ gallons mineral oil.....	17. 67

Total, insular purchasing agent's commission included..... 84. 32

LAND TRANSPORTATION DEPARTMENT.

12 currycombs.....	\$5. 02
3 files, rasp shoeing.....	1. 36
12 pints Sunshine metal polish.....	4. 84
46½ pounds iron.....	3. 21
250 pounds iron.....	17. 24
9, 642 pounds palay.....	403. 04

Total, insular purchasing agent's commission included..... 431. 71

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

21 files, assorted.....	\$3. 04
4 gross brass screws, flat head.....	1. 80
1,000 hard-burned brick.....	26. 40
26½ pounds iron.....	3. 21
259 pounds iron.....	17. 24
24 pounds tacks.....	4. 59
Total, insular purchasing agent's commission included.....	56. 28

RECAPITULATION.

Salaries and wages.....	\$16, 257. 76
Office supplies.....	84. 69
Incidental and contingent expenses.....	17. 00
Coal.....	785. 85
Forage.....	362. 74
Care and maintenance of buildings and grounds.....	50. 66
Care and maintenance of machinery.....	7, 351. 75
Care and maintenance of water transportation.....	75. 89
Care and maintenance of land transportation.....	28. 51
Insular purchasing agent's commission.....	971. 08
Total.....	25, 985. 93

Statement of expenditures of insular cold storage and ice plant for the month of October, 1903.

SALARIES AND WAGES.

Salary of superintendent.....	P600. 00
Office force.....	3, 537. 95
Engineering and manufacturing.....	4, 646. 14
Land transportation.....	2, 800. 52
Water transportation.....	1, 749. 46
Care and maintenance of building and grounds.....	2, 390. 80
Total, insular purchasing agent's commission included.....	15, 724. 87

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent.....	12. 00
Post-office box rent.....	8. 00
Typewriter repairs.....	3. 00
Total, insular purchasing agent's commission included.....	23. 00

CARE AND MAINTENANCE OF MACHINERY.

3 ½-inch globe valves.....	4. 05
Total, insular purchasing agent's commission included.....	4. 05

LAND TRANSPORTATION.

1 pair farrier's pincers.....	0. 88
1 pair Heller's hoof parers.....	2. 51
14, 776 pounds hay.....	520. 11
27,807 pounds oats.....	978. 80
Total, insular purchasing agent's commission included.....	1, 502. 30

OFFICE SUPPLIES.

2 boxes semicarbon paper.....	5. 32
1 box semicarbon paper.....	2. 88
72 typewriter erasers, circular.....	3. 96
Total, insular purchasing agent's commission included.....	12. 16

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

24 corn brooms.....	P 14. 26
Total, insular purchasing agent's commission included.....	14. 26

RECAPITULATION.

Salaries and wages.....	15,724. 87
Office supplies.....	10. 95
Incidental and contingent expenses.....	23. 00
Forage.....	1,349. 02
Care and maintenance of buildings and grounds.....	12. 84
Care and maintenance of machinery.....	3. 65
Care and maintenance of land transportation.....	3. 06
Insular purchasing agent's commission.....	153. 25
Total.....	17,280. 64

Statement of expenditures of insular cold storage and ice plant for the month of November, 1903.

SALARIES AND WAGES.

Salary of superintendent.....	P 600. 00
Office force.....	3,079. 30
Cold-storage and sales department.....	1,962. 50
Care and maintenance of buildings and grounds.....	2,434. 81
Engineering and manufacturing department.....	4,906. 28
Land transportation department.....	2,714. 65
Water transportation department.....	1,521. 66
Total.....	17,219. 20

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent.....	24. 00
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OFFICE SUPPLIES.

600 Gem paper fasteners.....	\$1. 34
6 gross rubber bands, No. 16.....	1. 90
1 rubber stamp.....	. 99
4 rubber stamps.....	17. 38
45 canvas-covered notebooks.....	19. 80
1 revolving chair.....	29. 15
3 rubber stamps.....	3. 74
Total, insular purchasing agent's commission included.....	74. 30

WATER TRANSPORTATION DEPARTMENT.

12 pounds sail twine.....	11. 88
Total, insular purchasing agent's commission included.....	11. 88

COAL.

2,200 tons Yunokibara coal.....	P 28,798. 00
Total, insular purchasing agent's commission included.....	28,798. 00

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

6 whetstones.....	3. 96
3 gimlet bits, $\frac{1}{4}$ -inch.....	1. 32
594 pounds bar iron.....	39. 20
28 feet leather belting.....	33. 88
12 flat paint brushes, No. 2 $\frac{1}{2}$	9. 24
1 cast-iron kettle.....	11. 00
35 barrels cement.....	171. 71
Total, insular purchasing agent's commission included.....	270. 31

CARE AND MAINTENANCE OF MACHINERY.

6 wheels for Barne's pipe cutter, No. 4.....	P3. 56
47½ pounds babbit metal.....	49. 64
20½ pounds square flax packing, ½-inch.....	35. 64
72 iron ells, 1½-inch.....	38. 02
26 pounds Putz pomade.....	22. 88
15 pounds emery.....	8. 25
504 pounds bar iron.....	39. 20
1 barrel cylinder oil.....	93. 04
15 gallons oil (Colza).....	26. 07
61½ pounds Amazon spiral packing, ½-inch.....	96. 15
1 pressure gauge, 5-inch.....	16. 50
One-half gross split pins.....	7. 92
9 sheets galvanized iron.....	31. 68
2 iron castings.....	15. 00
6 zinc plates, boiler.....	21. 98
22 pounds rivets.....	5. 32
3 kilograms sal ammoniac.....	1. 58
3 kilograms lead oxide (litharge).....	1. 39
2 right-hand and 2 left-hand steam valves for high-pressure cylinder No. 12590-1; 2 high-pressure piston followers, No. 12579; 2 high-pressure pistons, No. 12578; 2 sets crank brasses for steam rod; 2 sets crank brasses for connection rod.....	2, 687. 87
4 iron castings.....	9. 35
36 brass castings.....	58. 96
1 piece tool steel.....	9. 96
5 pounds spelter.....	3. 30
5 pounds graphite.....	4. 40
49 pounds solder.....	34. 50
4.992 pounds anhydrous ammonia.....	5, 765. 76
147 B castings.....	23. 91
5 pounds borax.....	. 86
5 pounds prussiate of potash.....	8. 25
25 pounds Tripoli.....	31. 35
1 rod Muntz metal.....	50. 05
1 cast-iron pulley.....	27. 50
2 barrels 60 W cylinder oil.....	147. 08
6 Globe valves, ½-inch.....	5. 89
100 gallons mineral oil.....	37. 62
2 barrels cylinder oil.....	184. 46
24 hack saw blades.....	6. 60
2 gross sheets emery cloth.....	15. 84
5,000 pounds colored cotton waste.....	525. 45
Total, insular purchasing agent's commission included.....	10, 152. 78

LAND TRANSPORTATION DEPARTMENT.

48 pounds vermilion.....	36. 93
596 pounds bar iron.....	39. 34
1 bottle iodide of potassium.....	5. 16
2 liters alcohol.....	. 51
1 bottle 2,000 cc.....	. 69
100 pounds bar iron.....	6. 16
4.682 board feet guijo.....	676. 38
21 pounds Indian red.....	3. 47
48 bats tire steel.....	532. 50
1.473 board feet Oregon pine.....	106. 61
12 horse-collar pads.....	16. 06
2 gross sheets emery cloth.....	15. 84
12 camel's-hair pencils.....	2. 75
12 assorted sable pencils.....	1. 87
1 branding iron.....	13. 20
39,150 pounds hay.....	1, 378. 08
120 board feet Oregon pine.....	7. 33
713 board feet guijo.....	219. 60
Total, insular purchasing agent's commission included.....	3, 062. 61

RECAPITULATION.

Salaries and wages.....	P 17,219.20
Incidental contingent expenses.....	24.00
Office supplies.....	66.87
Water transportation department.....	10.70
Coal.....	25,918.20
Care and maintenance of building and grounds.....	243.28
Care and maintenance of machinery.....	9,137.51
Land transportation department.....	1,516.08
Forage.....	1,240.28
Insular purchasing agent's commission.....	4,236.96
Total.....	59,613.08

Statement of expenditures of insular cold storage and ice plant for the month of December, 1903.

SALARIES AND WAGES.

Salary of superintendent.....	P 600.00
Office force.....	2,921.30
Cold-storage and sales department.....	1,019.00
Care and maintenance of building and grounds.....	2,798.19
Engineering and manufacturing department.....	4,486.85
Land transportation department.....	2,457.43
Water transportation department.....	1,553.19
Total.....	15,835.96

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent.....	12.00
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OFFICE SUPPLIES.

24 gross rubber bands.....	10.67
100 writing tablets.....	11.91
2 waste-paper baskets.....	1.56
18 dozen Faber's pencils.....	12.67

Total, insular purchasing agent's commission included.....	36.81
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COAL.

413½ tons Yunokibara.....	5,412.71
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WATER TRANSPORTATION DEPARTMENT.

24 grate bars.....	73.16
391 pounds 3¼-inch rope.....	121.72
133 pounds 2-inch rope.....	33.68
80 pounds 1½-inch rope.....	23.76
12½ pounds ¾-inch rope.....	5.50

Total, insular purchasing agent's commission included.....	260.82
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ENGINEERING AND MANUFACTURING DEPARTMENT.

1 boiler feed pump.....	1,031.80
200 gallons mineral oil.....	75.24
1 iron casting (39 pounds).....	15.02
228 pounds sheet packing.....	250.80
1 automatic stoker, complete.....	2,519.55
21 lengths black pipe.....	81.20
1,000 fire brick.....	132.00
705 pounds colored waste.....	73.68
21 valves, assorted.....	34.35
24 tees.....	3.88
24 ells.....	3.14
9 valves, assorted.....	34.65
1 set Little Giant taps and dies.....	81.40

Total, insular purchasing agent's commission included.....	4,336.71
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LAND TRANSPORTATION DEPARTMENT.

1 set double truck harness.....	P 264. 00
24 pounds paint, chrome yellow.....	15. 84
10 gallons drier, Japan.....	16. 28
700 pounds horseshoes.....	66. 55
50 pounds horseshoe nails.....	15. 68
25 pounds toe calks.....	3. 30
100 carriage bolts.....	. 97
935 pounds oats.....	32. 91
4½ pounds cold rolled steel.....	1. 49
1,741 board feet guijo.....	574. 53
60 tire bolts.....	1. 98
2½ kilograms cyanide of potassium.....	5. 86
8 bolts, assorted.....	1. 65
40 fire bolts.....	. 44
Total, insular purchasing agent's commission included.....	1,001. 48

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

4 planer knives.....	79. 20
10 gallons drier, Japan.....	16. 28
10 barrels cement, Green Island.....	49. 06
6 gimlet bits.....	2. 64
10 cases turpentine.....	181. 50
6 gross screws, assorted.....	4. 75
2,000 pounds sawdust.....	4. 40
2,000 brick.....	52. 80
6 socket framing chisels.....	12. 21
Total, insular purchasing agent's commission included.....	402. 84

ELECTRICAL SUPPLIES.

6 Stromberg-Carlson tel. No. 43.....	241. 56
295 pounds No. 00 S. B. O. K. wire.....	115. 28
1 set resistance coils.....	134. 20
1 armature.....	241. 56
500 porcelain tubes.....	10. 19
35 snap switches.....	103. 99
3 Kinsman portable lamps No. 33046.....	24. 07
2 pounds wire staples.....	. 33
6 bells, iron frame, 6-inch gong.....	3. 48
2 dozen 3-inch iron box bells.....	25. 12
4 dozen push buttons.....	6. 45
30 compound push buttons.....	125. 62
250 fuse links.....	47. 98
200 yards window cord.....	44. 28
975 feet concentric wire, braided.....	48. 42
4 dozen aluminum shades.....	64. 42
2 dozen cluster bodies.....	11. 66
1 dozen Dale desk lamps.....	19. 34
12 lightning arrestors.....	381. 21
18 pounds German silver wire.....	21. 75
1 portable western voltmeter.....	168. 96
1 set journal sleeves.....	53. 68
1 cutter hammer starting box.....	16. 10
50 carbon brushes.....	16. 10
250 carbon brushes.....	53. 68
1 12-inch hand bellows.....	2. 95
1 gross assorted machine screws.....	2. 68
6 portable lamps.....	40. 26
24 inclosed arc lamps.....	772. 99
600 globes.....	409. 09
25 clutches.....	33. 06
25 resistance coils, 25 porcelain insulators.....	33. 06
5 extra copper shells.....	40. 26
50 carbon clamps.....	83. 38

5 sets magnet spools.....	P 53. 68
25 conducting strips.....	10. 07
48 Edison plug cutouts.....	84. 48
500 porcelain knobs.....	44. 00

Total, insular purchasing agent's commission included..... 3, 589. 39

RECAPITULATION.

Salaries and wages.....	15, 835. 96
Contingent expenses.....	12. 00
Office supplies.....	33. 13
Coal.....	4, 871. 44
Water transportation department.....	234. 74
Engineering and manufacturing department.....	3, 903. 04
Land transportation department.....	871. 72
Forage.....	29. 62
Care and maintenance of buildings and grounds.....	362. 56
Electrical supplies.....	3, 230. 46
Insular purchasing agent's commission.....	1, 504. 05

Grand total..... 30, 888. 72

Statements of expenditures insular cold storage and ice plant for the month of January, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P 3, 048. 76
Engineering and manufacturing department.....	5, 001. 61
Cold storage and sales department.....	845. 60
Land transportation department.....	2, 877. 12
Water transportation department.....	1, 458. 66
Care and maintenance of buildings and grounds.....	1, 840. 48

Total..... 15, 072. 23

INCIDENTAL CONTINGENT EXPENSES.

Post-office box rent for quarter ending March 31.....	8. 00
Repairs to typewriter.....	7. 00

Total..... 15. 00

OFFICE SUPPLIES.

12 gross rubber bands.....	3. 46
50 scratch pads.....	5. 00
24 penholders, Crown.....	1. 68
24 penholders, Crown.....	1. 44
1 gross pens, Esterbrook.....	1. 16

Total..... 12. 74

COAL.

1,426.6 tons Yunokibara coal.....	16, 976. 54
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FORAGE.

70 sacks oats.....	334. 59
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CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

150 feet vitrified sewer pipe.....	94. 80
48 corn brooms.....	25. 92
20 barrels Green Island cement.....	91. 80
24 corn brooms.....	14. 88
2 wheelbarrows.....	23. 12
6 marking brushes.....	1. 20
6 artist's Mikado brushes.....	. 40

Total..... 252. 12

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

200 tire bolts.....	P2.52
150 feet angle iron.....	16.08
5 dozen brass buckle covers.....	17.50
5 dozen brass buckle covers.....	17.50
5 pounds wrought-iron washers.....	2.30
100 carriage bolts.....	2.54
5 pounds wrought-iron washers.....	1.00
3 pounds wrought-iron washers.....	.60
12 stable brooms.....	9.36
2 platform spring ice wagons.....	1,069.50
2 platform spring ice wagons.....	1,327.50
1 extra pole for wagon.....	21.00
25 pounds vermilion paint, dry.....	18.75
2 pounds carmine-red paint.....	2.00
Total.....	2,508.65

CARE AND MAINTENANCE OF MACHINERY.

26 lengths heavy black iron pipe.....	39.68
12 coal scoops.....	39.00
50 pounds metal polish.....	30.00
24 flat bastard files.....	9.50
5 pounds wrought-iron washers.....	.80
2 pounds wrought-iron washers.....	.12
1 metropolitan injector.....	99.38
2 dozen flat bastard files.....	28.00
2 dozen flat bastard files.....	15.00
6 iron castings.....	5.06
1 brass casting.....	1.20
1 gross hack-saw blades.....	36.00
1 gross sandpaper.....	3.60
1 gross sandpaper.....	3.60
2 gross sandpaper.....	7.20
3 pounds wrought-iron washers.....	.60
12 brass castings.....	8.80
2 globe valves.....	2.80
3 unies.....	.84
1 bushing.....	.12
4 barrels liquid base oil.....	153.19
4 cases Albany grease.....	104.00
20 pounds Dixon's weather-proof graphite.....	10.00
20,000 pounds salt.....	780.00
1 case Albany grease.....	26.00
1 barrel liquid base oil.....	37.96
100 gallons mineral oil.....	27.00
100 pounds axle grease.....	9.28
20 pounds Dixon's graphite.....	5.60
4 wheelbarrows.....	46.24
1½ tons differential pulley.....	18.40
12 oilers, copperized steel.....	5.00
4 iron castings.....	4.80
4 quarts cosmic.....	4.80
Total.....	1,563.97

INSULAR PURCHASING AGENT.

January 2, 10 per cent commission, voucher No. 56.....	20.35
January 4, 10 per cent commission, voucher No. 128.....	15.47
January 5, 10 per cent commission, voucher No. 156.....	3.78
January 7, 10 per cent commission, voucher No. 181.....	33.71
January 7, 10 per cent commission, voucher No. 209.....	11.01
January 8, 10 per cent commission, voucher No. 229.....	.44
January 12, 10 per cent commission, voucher No. 307.....	26.72
January 13, 10 per cent commission, voucher No. 328.....	1,706.83

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January 13, 10 per cent commission, voucher No. 352.....	P85. 67
January 16, 10 per cent commission, voucher No. 408.....	255. 50
January 20, 10 per cent commission, voucher No. 448.....	5. 38
Total.....	2, 164. 86

RECAPITULATION.

Salaries and wages.....	15, 072. 23
Incidental contingent expenses.....	15. 00
Office supplies.....	12. 74
Coal.....	16, 976. 54
Forage.....	334. 59
Care and maintenance of buildings and grounds.....	252. 12
Care and maintenance of land transportation.....	2, 508. 65
Care and maintenance of machinery.....	1, 563. 97
Insular purchasing agent's commission.....	2, 164. 86
Total.....	38, 900. 70

Statement of expenditures of insular cold storage and ice plant for the month of February, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P2, 934. 33
Engineering and manufacturing department.....	5, 110. 98
Cold storage and sales department.....	940. 00
Land transportation department.....	3, 050. 32
Water transportation department.....	1, 526. 79
Care and maintenance of buildings and grounds.....	1, 774. 66
Total.....	15, 337. 08

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent.....	12. 00
"Tranvía de Vapor á los muelles del Rio Pasig," for services.....	5. 00
Artificial stone steps, tiling and labor placing same.....	240. 00
215 pounds laundry soap.....	22. 00
Total.....	279. 00

COAL.

310 $\frac{1}{2}$ tons Kasima coal.....	3, 698. 67
2,180 tons Yunokibara coal.....	25, 942. 00
Total.....	29, 640. 67

FORAGE.

8,000 pounds hay (50 bales).....	288. 00
11,090 pounds oats (72 sacks).....	354. 88
Total.....	642. 88

ELECTRICAL SUPPLIES.

18 carbons pigtail brushes.....	36. 00
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CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

72 corn brooms.....	38. 88
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CARE AND MAINTENANCE OF MACHINERY.

500 pounds white lead.....	67. 50
13 pounds tees (6).....	1. 48
732 $\frac{1}{2}$ gallons vacuoline (15 barrels).....	805. 93
756 $\frac{2}{3}$ gallons cylinder oil (15 barrels).....	1, 073. 71
28 $\frac{1}{2}$ pounds steel forgings.....	11. 40

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

200 tire bolts.....	P2.52
150 feet angle iron.....	16.08
5 dozen brass buckle covers.....	17.50
5 dozen brass buckle covers.....	17.50
5 pounds wrought-iron washers.....	2.50
100 carriage bolts.....	2.54
5 pounds wrought-iron washers.....	1.00
3 pounds wrought-iron washers.....	.60
12 stable brooms.....	9.36
2 platform spring ice wagons.....	1,069.50
2 platform spring ice wagons.....	1,327.50
1 extra pole for wagon.....	21.00
25 pounds vermilion paint, dry.....	18.75
2 pounds carmine-red paint.....	2.00
Total.....	2,508.65

CARE AND MAINTENANCE OF MACHINERY.

26 lengths heavy black iron pipe.....	39.68
12 coal scoops.....	39.00
50 pounds metal polish.....	30.00
24 flat bastard files.....	9.50
5 pounds wrought-iron washers.....	.80
2 pounds wrought-iron washers.....	.12
1 metropolitan injector.....	99.38
2 dozen flat bastard files.....	28.00
2 dozen flat bastard files.....	15.00
6 iron castings.....	5.06
1 brass casting.....	1.20
1 gross hack-saw blades.....	36.00
1 gross sandpaper.....	3.00
1 gross sandpaper.....	3.00
2 gross sandpaper.....	7.20
3 pounds wrought-iron washers.....	.60
12 brass castings.....	8.80
2 globe valves.....	2.50
3 unions.....	.84
1 bushing.....	.12
4 barrels liquid base oil.....	153.19
4 cases Albany grease.....	104.00
20 pounds Dixon's weather-proof graphite.....	10.00
20,000 pounds salt.....	780.00
1 case Albany grease.....	26.00
1 barrel liquid base oil.....	37.96
100 gallons mineral oil.....	27.00
100 pounds axle grease.....	9.28
20 pounds Dixon's graphite.....	5.60
4 wheelbarrows.....	46.24
14 tons differential pulley.....	18.50
12 oilers, copperized steel.....	5.00
4 iron castings.....	4.80
4 quarts cosmic.....	4.80
Total.....	1,563.97

INSULAR PURCHASING AGENT.

January 2, 10 per cent commission, voucher No. 56.....	20.35
January 4, 10 per cent commission, voucher No. 128.....	15.47
January 5, 10 per cent commission, voucher No. 156.....	3.78
January 7, 10 per cent commission, voucher No. 181.....	33.71
January 7, 10 per cent commission, voucher No. 209.....	11.01
January 8, 10 per cent commission, voucher No. 229.....	.44
January 12, 10 per cent commission, voucher No. 307.....	26.72
January 13, 10 per cent commission, voucher No. 328.....	1,706.83

January 13, 10 per cent commission, voucher No. 352.....	P85. 67
January 16, 10 per cent commission, voucher No. 408.....	255. 50
January 20, 10 per cent commission, voucher No. 448.....	5. 38
Total.....	2, 164. 86

RECAPITULATION.

Salaries and wages.....	15, 072. 23
Incidental contingent expenses.....	15. 00
Office supplies.....	12. 74
Coal.....	16, 976. 54
Forage.....	334. 59
Care and maintenance of buildings and grounds.....	252. 12
Care and maintenance of land transportation.....	2, 508. 65
Care and maintenance of machinery.....	1, 563. 97
Insular purchasing agent's commission.....	2, 164. 86
Total.....	38, 900. 70

Statement of expenditures of insular cold storage and ice plant for the month of February, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P2, 934. 33
Engineering and manufacturing department.....	5, 110. 98
Cold storage and sales department.....	940. 00
Land transportation department.....	3, 050. 32
Water transportation department.....	1, 526. 79
Care and maintenance of buildings and grounds.....	1, 774. 66
Total.....	15, 337. 08

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent.....	12. 00
"Tranvía de Vapor á los muelles del Río Pasig," for services.....	5. 00
Artificial stone steps, tiling and labor placing same.....	240. 00
215 pounds laundry soap.....	22. 00
Total.....	279. 00

COAL.

310 $\frac{1}{2}$ tons Kasima coal.....	3, 698. 67
2, 180 tons Yunokibara coal.....	25, 942. 00
Total.....	29, 640. 67

FORAGE.

8,000 pounds hay (50 bales).....	288. 00
11,090 pounds oats (72 sacks).....	354. 88
Total.....	642. 88

ELECTRICAL SUPPLIES.

18 carbons pigtail brushes.....	36. 00
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CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

72 corn brooms.....	38. 88
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CARE AND MAINTENANCE OF MACHINERY.

500 pounds white lead.....	67. 50
13 pounds tees (6).....	1. 48
732 $\frac{1}{2}$ gallons vacuoline (15 barrels).....	805. 93
756 $\frac{2}{5}$ gallons cylinder oil (15 barrels).....	1, 073. 71
28 $\frac{1}{2}$ pounds steel forgings.....	11. 40

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

200 tire bolts.....	P2. 52
150 feet angle iron.....	16. 08
5 dozen brass buckle covers.....	17. 50
5 dozen brass buckle covers.....	17. 50
5 pounds wrought-iron washers.....	2. 30
100 carriage bolts.....	2. 54
5 pounds wrought-iron washers.....	1. 00
3 pounds wrought-iron washers.....	. 60
12 stable brooms.....	9. 36
2 platform spring ice wagons.....	1, 069. 50
2 platform spring ice wagons.....	1, 327. 50
1 extra pole for wagon.....	21. 00
25 pounds vermilion paint, dry.....	18. 75
2 pounds carmine-red paint.....	2. 00
Total.....	2, 508. 65

CARE AND MAINTENANCE OF MACHINERY.

26 lengths heavy black iron pipe.....	39. 68
12 coal scoops.....	39. 00
50 pounds metal polish.....	30. 00
24 flat bastard files.....	9. 90
5 pounds wrought-iron washers.....	. 80
2 pounds wrought-iron washers.....	. 12
1 metropolitan injector.....	99. 38
2 dozen flat bastard files.....	28. 00
2 dozen flat bastard files.....	15. 00
6 iron castings.....	5. 06
1 brass casting.....	1. 20
1 gross hack-saw blades.....	36. 00
1 gross sandpaper.....	3. 00
1 gross sandpaper.....	3. 00
2 gross sandpaper.....	7. 20
3 pounds wrought-iron washers.....	. 60
12 brass castings.....	8. 80
2 globe valves.....	2. 80
3 unions.....	. 84
1 bushing.....	. 12
4 barrels liquid base oil.....	153. 19
4 cases Albany grease.....	104. 00
20 pounds Dixon's weather-proof graphite.....	10. 00
20,000 pounds salt.....	780. 00
1 case Albany grease.....	26. 00
1 barrel liquid base oil.....	37. 96
100 gallons mineral oil.....	27. 00
100 pounds axle grease.....	9. 28
20 pounds Dixon's graphite.....	5. 60
4 wheelbarrows.....	46. 24
1½ tons differential pulley.....	18. 50
12 oilers, copperized steel.....	5. 00
4 iron castings.....	4. 80
4 quarts cosmic.....	4. 80
Total.....	1, 563. 97

INSULAR PURCHASING AGENT.

January 2, 10 per cent commission, voucher No. 56.....	20. 35
January 4, 10 per cent commission, voucher No. 128.....	15. 47
January 5, 10 per cent commission, voucher No. 156.....	3. 78
January 7, 10 per cent commission, voucher No. 181.....	33. 71
January 7, 10 per cent commission, voucher No. 209.....	11. 01
January 8, 10 per cent commission, voucher No. 229.....	. 44
January 12, 10 per cent commission, voucher No. 307.....	26. 72
January 13, 10 per cent commission, voucher No. 328.....	1, 706. 83

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January 13, 10 per cent commission, voucher No. 352.....	P85. 67
January 16, 10 per cent commission, voucher No. 408.....	255. 50
January 20, 10 per cent commission, voucher No. 448.....	5. 38
Total.....	2, 164. 86

RECAPITULATION.

Salaries and wages.....	15, 072. 23
Incidental contingent expenses.....	15. 00
Office supplies.....	12. 74
Coal.....	16, 976. 54
Forage.....	334. 59
Care and maintenance of buildings and grounds.....	252. 12
Care and maintenance of land transportation.....	2, 508. 65
Care and maintenance of machinery.....	1, 563. 97
Insular purchasing agent's commission.....	2, 164. 86
Total.....	38, 900. 70

Statement of expenditures of insular cold storage and ice plant for the month of February, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P2, 934. 33
Engineering and manufacturing department.....	5, 110. 98
Cold storage and sales department.....	940. 00
Land transportation department.....	3, 050. 32
Water transportation department.....	1, 526. 79
Care and maintenance of buildings and grounds.....	1, 774. 66
Total.....	15, 337. 08

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent.....	12. 00
"Tranvía de Vapor á los muelles del Río Pasig," for services.....	5. 00
Artificial stone steps, tiling and labor placing same.....	240. 00
215 pounds laundry soap.....	22. 00
Total.....	279. 00

COAL.

310 $\frac{1}{2}$ tons Kasima coal.....	3, 698. 67
2,180 tons Yunokibara coal.....	25, 942. 00
Total.....	29, 640. 67

FORAGE.

8,000 pounds hay (50 bales).....	288. 00
11,090 pounds oats (72 sacks).....	354. 88
Total.....	642. 88

ELECTRICAL SUPPLIES.

18 carbons pigtail brushes.....	36. 00
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CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

72 corn brooms.....	38. 88
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CARE AND MAINTENANCE OF MACHINERY.

500 pounds white lead.....	67. 50
13 pounds tees (6).....	1. 48
732 $\frac{1}{2}$ gallons vacuoline (15 barrels).....	805. 93
756 $\frac{1}{2}$ gallons cylinder oil (15 barrels).....	1, 073. 71
28 $\frac{1}{2}$ pounds steel forgings.....	11. 40

195½ pounds disk valves, assorted.....	₱93. 96
6 galvanized-iron couplings.....	8. 04
4,471 pounds bar iron.....	268. 26
85 pounds machine steel.....	20. 40
40 pounds iron castings.....	8. 00
12 machine screws.....	3. 60
3 globe valves, 3-inch.....	46. 20
3 globe valves, 2½-inch.....	33. 06
60 gallons gasoline.....	60. 00
1,000 pounds white lead.....	135. 00
6 galvanized-iron ells (pound).....	. 28
30 feet pipe.....	3. 12
Total.....	2, 639. 94

CARE AND MAINTENANCE OF WATER TRANSPORTATION.

24 bamboo poles.....	19. 20
78½ pounds rope.....	21. 98
Total.....	41. 18

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

2 gallons black enamel leather dressing.....	6. 96
72 quarts harness dressing.....	42. 00
Services of veterinary.....	10. 00
Total.....	58. 96

INSULAR PURCHASING AGENT.

February 1, 10 per cent commission, voucher No. 82.....	7. 59
February 1, 10 per cent commission, voucher No. 86.....	187. 96
February 3, 10 per cent commission, voucher No. 237.....	449. 10
February 6, 10 per cent commission, voucher No. 305.....	28. 87
February 9, 10 per cent commission, voucher No. 347.....	1. 92
February 11, 10 per cent commission, voucher No. 396.....	11. 28
February 12, 10 per cent commission, voucher No. 441.....	2, 624. 33
Total.....	3, 311. 05

RECAPITULATION.

Salaries and wages.....	15, 337. 08
Incidental contingent expenses.....	279. 00
Coal.....	29, 640. 67
Forage.....	642. 88
Electrical supplies.....	36. 00
Care and maintenance of buildings and grounds.....	38. 88
Care and maintenance of machinery.....	2, 639. 94
Care and maintenance of water transportation.....	41. 18
Care and maintenance of land transportation.....	58. 96
Insular purchasing agent's commission.....	3, 311. 05
Total.....	52, 025. 64

Statement of expenditures of insular cold-storage and ice plant for the month of March, 1904.

SALARIES AND WAGES.

Office force and sales department.....	₱2, 689. 10
Engineering and manufacturing department.....	5, 013. 48
Cold-storage department.....	849. 80
Land-transportation department.....	2, 903. 19
Water-transportation department.....	1, 479. 19
Care and maintenance of buildings and grounds.....	1, 722. 32
Total.....	14, 657. 08

OFFICE SUPPLIES.

1 enamel wash basin.....	P0. 50
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INCIDENTAL CONTINGENT EXPENSES.

Telephone rent for March.....	12. 00
Analysis made by government laboratory.....	7. 27
Alterations in stone steps at entrance to office.....	20. 00
40 yards wicking.....	4. 40
Total.....	43. 67

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

30 barrels green island cement.....	137. 70
25 cubic meters sharp river sand.....	50. 00
Total.....	187. 70

CARE AND MAINTENANCE OF MACHINERY.

24 quires emery cloth.....	25. 92
36 globe valves.....	86. 40
64½ pounds iron castings.....	15. 35
Total.....	127. 67

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

24 brass guy chains.....	10. 00
72 brass rings.....	1. 63
Total.....	11. 63

INSULAR PURCHASING AGENT.

March 1, 10 per cent commission, voucher No. 530.....	33. 19
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IMPROVEMENT OF PLANT, ACT 1049.

Wages of Thomas McElroy, employed February 18 to 29 as plumber.....	60. 00
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RECAPITULATION.

Salaries and wages.....	14, 657. 08
Office supplies.....	. 50
Incidental contingent expenses.....	43. 67
Care and maintenance of buildings and grounds.....	187. 70
Care and maintenance of machinery.....	127. 67
Care and maintenance of land transportation.....	11. 63
Insular purchasing agent.....	33. 19
Improvement of plant, Act 1049.....	60. 00
Total.....	15, 121. 44

Statement of expenditures of insular cold-storage and ice plant for the month of April, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P2, 558. 99
Engineering and manufacturing department.....	4, 974. 24
Cold-storage department.....	942. 20
Land-transportation department.....	2, 824. 06
Water-transportation department.....	1, 390. 66
Care and maintenance of buildings and grounds.....	1, 717. 66
Total.....	14, 407. 81

195½ pounds disk valves, assorted.....	₱ 93. 96
6 galvanized-iron couplings.....	8. 04
4,471 pounds bar iron.....	268. 26
85 pounds machine steel.....	20. 40
40 pounds iron castings.....	8. 00
12 machine screws.....	3. 60
3 globe valves, 3-inch.....	46. 20
3 globe valves, 2½-inch.....	33. 06
60 gallons gasoline.....	60. 00
1,000 pounds white lead.....	135. 00
6 galvanized-iron ells (pound).....	. 28
30 feet pipe.....	3. 12
Total.....	2, 639. 94

CARE AND MAINTENANCE OF WATER TRANSPORTATION.

24 bamboo poles.....	19. 20
78½ pounds rope.....	21. 98
Total.....	41. 18

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

2 gallons black enamel leather dressing.....	6. 96
72 quarts harness dressing.....	42. 00
Services of veterinary.....	10. 00
Total.....	58. 96

INSULAR PURCHASING AGENT.

February 1, 10 per cent commission, voucher No. 82.....	7. 59
February 1, 10 per cent commission, voucher No. 86.....	187. 96
February 3, 10 per cent commission, voucher No. 237.....	449. 10
February 6, 10 per cent commission, voucher No. 305.....	28. 87
February 9, 10 per cent commission, voucher No. 347.....	1. 92
February 11, 10 per cent commission, voucher No. 396.....	11. 28
February 12, 10 per cent commission, voucher No. 441.....	2, 624. 33
Total.....	3, 311. 05

RECAPITULATION.

Salaries and wages.....	15, 337. 08
Incidental contingent expenses.....	279. 00
Coal.....	29, 640. 67
Forage.....	642. 88
Electrical supplies.....	36. 00
Care and maintenance of buildings and grounds.....	38. 88
Care and maintenance of machinery.....	2, 639. 94
Care and maintenance of water transportation.....	41. 18
Care and maintenance of land transportation.....	58. 96
Insular purchasing agent's commission.....	3, 311. 05
Total.....	52, 025. 64

Statement of expenditures of insular cold-storage and ice plant for the month of March, 1904.

SALARIES AND WAGES.

Office force and sales department.....	₱ 2, 689. 10
Engineering and manufacturing department.....	5, 013. 48
Cold-storage department.....	849. 80
Land-transportation department.....	2, 903. 19
Water-transportation department.....	1, 479. 19
Care and maintenance of buildings and grounds.....	1, 722. 32
Total.....	14, 657. 08

OFFICE SUPPLIES.

1 enamel wash basin.....	P0.50
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INCIDENTAL CONTINGENT EXPENSES.

Telephone rent for March.....	12.00
Analysis made by government laboratory.....	7.27
Alterations in stone steps at entrance to office.....	20.00
40 yards wicking.....	4.40
Total.....	43.67

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

30 barrels green island cement.....	137.70
25 cubic meters sharp river sand.....	50.00
Total.....	187.70

CARE AND MAINTENANCE OF MACHINERY.

24 quires emery cloth.....	25.92
36 globe valves.....	86.40
64½ pounds iron castings.....	15.35
Total.....	127.67

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

24 brass guy chains.....	10.00
72 brass rings.....	1.63
Total.....	11.63

INSULAR PURCHASING AGENT.

March 1, 10 per cent commission, voucher No. 530.....	33.19
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IMPROVEMENT OF PLANT, ACT 1049.

Wages of Thomas McElroy, employed February 18 to 29 as plumber.....	60.00
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RECAPITULATION.

Salaries and wages.....	14,657.08
Office supplies.....	.50
Incidental contingent expenses.....	43.67
Care and maintenance of buildings and grounds.....	187.70
Care and maintenance of machinery.....	127.67
Care and maintenance of land transportation.....	11.63
Insular purchasing agent.....	33.19
Improvement of plant, Act 1049.....	60.00
Total.....	15,121.44

Statement of expenditures of insular cold-storage and ice plant for the month of April, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P2,558.99
Engineering and manufacturing department.....	4,974.24
Cold-storage department.....	942.20
Land-transportation department.....	2,824.06
Water-transportation department.....	1,390.66
Care and maintenance of buildings and grounds.....	1,717.66
Total.....	14,407.81

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent for March, 1904.....	P 12.00
Post-office box rent for quarter ending June 30, 1904.....	8.00
Total.....	20.00

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

Repairs to wagon spring.....	9.25
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RECAPITULATION.

Salaries and wages.....	14,407.81
Incidental contingent expenses.....	20.00
Care and maintenance of land transportation.....	9.25
Total.....	14,437.06

Statement of expenditures of insular cold-storage and ice plant for the month of May, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P 2,365.99
Engineering and manufacturing department.....	4,783.08
Cold-storage department.....	1,002.00
Land-transportation department.....	2,864.73
Water-transportation department.....	1,380.65
Care and maintenance of buildings and grounds.....	1,626.15
Total.....	14,022.60

OFFICE SUPPLIES.

2 rubber stamps.....	0.80
100 scratch pads.....	10.00
50 letter tablets.....	5.42
12,000 coin envelopes.....	42.72
2,000 paper clips.....	3.30
12½ pints red ink.....	6.48
6 star clips.....	.96
12 pyramids pins.....	1.92
12 gross rubber bands.....	2.16
1 facsimile stamp.....	1.80
1 Benton tally register.....	6.30
3,000 paper clips.....	11.52
6 gross Esterbrook pens.....	6.36
50 pyramids pins.....	8.00
50 gross rubber bands.....	9.00
Total.....	116.74

FORAGE.

4,773 pounds hay.....	171.83
3,338 pounds oats.....	120.84
14,154 pounds hay.....	509.47
8,577 pounds oats.....	310.48
13,833 pounds hay.....	507.67
11,191 pounds oats.....	405.12
Total.....	2,025.41

ELECTRICAL SUPPLIES.

17 gross screws.....	3.47
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INCIDENTAL CONTINGENT EXPENSES.

Telephone rent for April, 1904.....	12.00
Telephone rent for May, 1904.....	12.00
Repairing typewriter.....	13.00
2,000 Dennison shipping tags.....	3.28
25 pounds twine.....	13.00
1,000 large rice sacks.....	205.00
500 sacks.....	30.00
200 cakes Lennox soap.....	14.66
12 galvanized-iron buckets.....	16.44
Total.....	319.38

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

1 lawn mower.....	24.00
6 garden rakes.....	4.39
72 corn brooms.....	57.60
12 padlocks.....	18.72
80 pounds manila rope.....	21.60
36 scrub brushes.....	23.04
36 brush handles.....	2.16
30 gross F. H. B. screws.....	14.34
233 board feet guijo.....	37.28
1 stone slip.....	.32
6 cupboard locks.....	5.28
3,000 pounds white lead.....	470.10
576 sheets emery cloth.....	20.45
100 pounds nails.....	6.17
10 barrels Green Island cement.....	45.90
209½ gallons linseed oil.....	190.49
Total.....	941.84

CARE AND MAINTENANCE OF MACHINERY.

12 machine bolts.....	2.40
90 globe valves, assorted.....	222.24
62 angle valves, assorted.....	106.13
35 globe valves, ½-inch.....	36.00
179½ pounds spiral packing, assorted.....	239.59
66 pounds iron castings.....	11.88
226½ pounds packing, assorted.....	289.58
4 lanterns.....	4.87
12 lantern globes.....	3.10
400 pounds Albany grease.....	120.00
77 pounds malleable-iron elbows.....	8.78
12 red bushings.....	4.32
500 pounds white lead.....	67.50
78½ pounds flax packing, assorted.....	53.41
95 gallons turpentine.....	144.40
2 Banner sight-feed lubricators.....	16.00
3 twist drills, assorted.....	3.60
6 sledge handles.....	1.92
200 pounds Babbit metal.....	140.00
14 pounds tees, wrought iron.....	1.60
23 pounds copper sheets.....	9.20
200 pounds laundry soap.....	23.00
24 bushings.....	1.08
24 oil cups.....	144.00
545 pounds iron castings.....	70.85
58 twist drills, assorted.....	16.76
12 mill bastard files.....	3.54
6 ammonia valves.....	90.00
100 feet heavy iron pipe.....	36.00
6 ammonia valves.....	114.00
50 street ells.....	50.00

67 pounds steel.....	₱10. 05
2,778 pounds iron castings.....	361. 14
20½ pounds Garlock packing, assorted.....	44. 68
1 angle valve, ½-inch.....	1. 00
1,114½ gallons liquid base.....	858. 17
208 pounds packing, assorted.....	33. 01
10 gallons turpentine.....	22. 00
60 pounds plaster of Paris.....	9. 00
95 pounds Tobin bronze.....	59. 85
511 gallons valvoline machine oil.....	562. 10
502½ gallons valvoline cylinder oil.....	713. 55
1 pair brass water-gauge cocks.....	17. 00
90 gallons mineral oil.....	31. 50
Total.....	4, 758. 80

CARE AND MAINTENANCE OF WATER TRANSPORTATION.

500 pounds white lead.....	67. 50
4 chairs.....	16. 00
1 settee.....	17. 00
50 pounds oakum.....	9. 75
193 yards canvas.....	99. 27
110 pounds rope, ½-inch.....	33. 00
599 yards canvas.....	323. 46
6 sewing palms.....	6. 00
Total.....	571. 98

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

1 gross harness snaps.....	11. 00
One-half gross roller band buckles.....	4. 25
6 ounces lead acetate.....	. 13
4 ounces zinc sulphate.....	. 05
6 ounces sweet-mer spirits.....	. 64
1 pound carbolic acid, Conde.....	. 39
6 ounces oil of tar.....	. 41
24 brass rings.....	3. 60
12 ice-ax handles.....	5. 40
1 carromata, rubber-tired.....	370. 00
50 pounds washers, wrought iron.....	10. 00
200 bichloride tablets.....	2. 00
6 ounces iodoform.....	5. 00
8 ounces acetanilid.....	1. 20
2 pounds blue vitriol.....	. 50
2 pounds absorbent cotton.....	1. 88
6 ounces calomel.....	. 94
1 pair roaching shears.....	1. 80
36 japanned rings.....	1. 50
100 tire bolts.....	1. 26
30 pounds dry vermilion.....	16. 50
1 horseshoer's turning hammer.....	1. 78
100 pounds pony shoes.....	9. 80
200 pounds salt.....	4. 00
1 potassium bromide.....	1. 10
2 pounds vaseline.....	1. 00
5 bottles iodoform.....	8. 60
2 bottles aromatic spirits ammonia.....	. 38
1 ounce lunar caustic.....	1. 10
1 bottle chloroform.....	. 62
1 package carbolated gauze.....	. 70
1 dozen bandages.....	. 80
6 saddle pads.....	4. 80
6 ounces carbolic acid.....	. 26
1 gross brass buckles.....	6. 50
6 ounces tincture belladonna.....	. 20
2 gallons alcohol.....	3. 70

1 gross wire buckles.....	₱ 10. 00
2 gallons Frank Miller's edge ink.....	1. 60
18 paint brushes.....	25. 56
1 blacksmith's drill, No. 5.....	45. 72
30 pounds Rojo paint.....	16. 50
26 quarts harness dressing.....	21. 00
Total.....	604. 17

INSULAR PURCHASING AGENT.

10 per cent commission, contingent expenses:

Voucher No. 1.....	17. 26
Voucher No. 2.....	2. 09
Voucher No. 3.....	1. 30
Voucher No. 4.....	32. 84
Voucher No. 5.....	3. 60
Voucher No. 6.....	23. 96
Voucher No. 7.....	55. 55
Voucher No. 8.....	24. 32
Voucher No. 9.....	39. 15
Voucher No. 10.....	. 43
Voucher No. 11.....	19. 17
Voucher No. 12.....	14. 44
Voucher No. 13.....	1. 78
Voucher No. 14.....	1. 60
Voucher No. 15.....	1. 18
Voucher No. 16.....	. 54
Voucher No. 17 (part).....	8. 12
Voucher No. 18.....	4. 27
Voucher No. 19.....	. 55
Voucher No. 21.....	7. 19
Voucher No. 22.....	106. 17
Voucher No. 23.....	15. 40
Voucher No. 24.....	9. 61
Voucher No. 25.....	3. 81
Voucher No. 26.....	30. 38
Voucher No. 27.....	36. 11
Voucher No. 29.....	97. 38
Voucher No. 30.....	12. 15
Voucher No. 31.....	135. 26
Voucher No. 34.....	91. 28
Voucher No. 36.....	17. 78
Voucher No. 37.....	115. 82
Total.....	930. 49

IMPROVEMENT OF PLANT, ACT 1049.

12 barrels pitch.....	194. 32
4 barrels lime.....	49. 20
42½ cubic meters Sharp River sand.....	51. 00
9,000 common brick.....	216. 00
1 18-ton ice-making plant.....	12, 536. 60
7,000 board feet T. & G. Oregon pine.....	329. 00
514 feet pipe, galvanized iron.....	90. 23
10 barrels Portland cement.....	45. 90
4 barrels pitch.....	27. 68
12,000 board feet T. & G. Oregon pine.....	564. 00
Paid to contractor for riveting ice tank.....	970. 00
For services of 3 carpenters.....	22. 50
Total.....	15, 096. 43

INSULAR PURCHASING AGENT.

10 per cent commission, improvement of plant:

Voucher No. 17.....	19. 43
Voucher No. 20.....	31. 62

10 per cent commission, improvement of plant—Continued.

Voucher No. 28.....	₱1,253. 66
Voucher No. 32.....	32. 90
Voucher No. 33.....	13. 61
Voucher No. 35.....	59. 17
Total.....	1,410. 39

RECAPITULATION.

Salaries and wages.....	14,022. 60
Office supplies.....	116. 74
Forage.....	2,025. 41
Electrical supplies.....	3. 47
Incidental contingent expenses.....	319. 38
Care and maintenance of buildings and grounds.....	941. 84
Care and maintenance of machinery.....	4,758. 80
Care and maintenance of water transportation.....	571. 98
Care and maintenance of land transportation.....	604. 17
Insular purchasing agent's commission.....	930. 49
Improvement of plant, Act 1049.....	15,096. 43
Insular purchasing agent's commission.....	1,410. 39
Total.....	40,801. 70

Statement of expenditures, insular cold storage and ice plant, for the month of June, 1904.

SALARIES AND WAGES.

Office force and sales department.....	₱2,937. 01
Engineering and manufacturing department.....	4,952. 19
Cold-storage department.....	1,088. 50
Land transportation department.....	2,535. 92
Water transportation department.....	1,380. 66
Care and maintenance of buildings and grounds.....	1,689. 66
Total.....	14,583. 94

INCIDENTAL CONTINGENT EXPENSES.

1 piece of wale, 4 feet by 22 feet.....	2. 00
Telephone rent for June.....	12. 00
Total.....	14. 00

OFFICE SUPPLIES.

1 section card index unit.....	50. 32
1 cornice top.....	9. 80
3 typewriter brushes.....	. 32
6 black record-ribbons for typewriter.....	4. 20
1 gross ball-point pens.....	. 90
Total.....	65. 54

FORAGE.

11,009 pounds oats.....	402. 12
13,535 pounds hay.....	470. 09
7,576 pounds oats.....	277. 58
2,865 pounds oats.....	104. 97
Error on insular purchasing agent's voucher No. 606 for March.....	. 07
12,848 pounds hay.....	438. 12
Total.....	1,692. 95

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

72 corn brooms.....	46. 80
5 gallons P. & B. paint.....	14. 30
60 gallons gasoline.....	55. 50

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50 pounds China glue.....	P 13.35
10 pounds Green Island cement.....	46.00
2 barrels lime.....	8.10
Total.....	184.05

CARE AND MAINTENANCE OF MACHINERY.

2 brass bushings.....	42.30
98 pounds asbestos packing.....	111.72
4 taps, assorted.....	4.00
10 gallons mineral oil.....	3.50
108 pounds brass castings.....	48.60
98 pounds iron castings.....	12.74
6 cast-iron pulleys.....	11.70
15 globe valves.....	37.80
53 gallons Valvoline machine oil.....	58.30
5 pounds blank nuts.....	1.25
31 globe valves.....	54.25
12 galvanized-iron tees.....	4.20
12 galvanized-iron elbows.....	2.64
250 H. H. bolts.....	74.42
250 H. H. nuts.....	89.30
250 safety clamps.....	148.84
12 H. H. plates.....	7.14
3 Metropolitan injectors.....	464.36
Total.....	1,177.06

CARE AND MAINTENANCE OF WATER TRANSPORTATION.

1 package sail needles.....	0.50
1 brass flange casting.....	2.80
1 brass valve.....	.80
422 pounds rope.....	99.17
1 gross brass garments.....	10.00
290 pounds rope.....	68.15
Total.....	181.42

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

W. W. Richards, for shoeing horses.....	^a 51.00
36 black harness rings.....	1.50
1 gross carriage knobs.....	1.13
12 quires sandpaper.....	3.60
1 iron casting for blacksmith's forge.....	1.30
2 sheepskins for blacksmith apron.....	4.80
288 sheets sandpaper.....	3.36
3 carpenter bits.....	1.05
Total.....	67.74

INSULAR PURCHASING AGENT.

10 per cent commission, contingent expenses:	
Voucher 39.....	15.40
Voucher 40.....	6.56
Voucher 41.....	8.16
Voucher 42.....	55.55
Voucher 43.....	62.76
Voucher 44.....	30.21
Voucher 45.....	15.10
Voucher 47.....	.90
Voucher 48 (part).....	.95
Voucher 50.....	136.18
Total.....	331.77

^a Paid by check.

10 per cent commission, improvement of plant—Continued.

Voucher No. 28.....	₱1,253.66
Voucher No. 32.....	32.90
Voucher No. 33.....	13.61
Voucher No. 35.....	59.17
Total.....	1,410.39

RECAPITULATION.

Salaries and wages.....	14,022.60
Office supplies.....	116.74
Forage.....	2,025.41
Electrical supplies.....	3.47
Incidental contingent expenses.....	319.38
Care and maintenance of buildings and grounds.....	941.84
Care and maintenance of machinery.....	4,758.80
Care and maintenance of water transportation.....	571.98
Care and maintenance of land transportation.....	604.17
Insular purchasing agent's commission.....	930.49
Improvement of plant, Act 1049.....	15,096.43
Insular purchasing agent's commission.....	1,410.39
Total.....	40,801.70

Statement of expenditures, insular cold storage and ice plant, for the month of June, 1904.

SALARIES AND WAGES.

Office force and sales department.....	₱2,937.01
Engineering and manufacturing department.....	4,952.19
Cold-storage department.....	1,088.50
Land transportation department.....	2,535.92
Water transportation department.....	1,380.66
Care and maintenance of buildings and grounds.....	1,689.66
Total.....	14,583.94

INCIDENTAL CONTINGENT EXPENSES.

1 piece of wale, 4 feet by 22 feet.....	2.00
Telephone rent for June.....	12.00
Total.....	14.00

OFFICE SUPPLIES.

1 section card index unit.....	50.32
1 cornice top.....	9.80
3 typewriter brushes.....	.32
6 black record-ribbons for typewriter.....	4.20
1 gross ball-point pens.....	.90
Total.....	65.54

FORAGE.

11,009 pounds oats.....	402.12
13,535 pounds hay.....	470.09
7,576 pounds oats.....	277.58
2,865 pounds oats.....	104.97
Error on insular purchasing agent's voucher No. 666 for March.....	.07
12,848 pounds hay.....	438.12
Total.....	1,692.95

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

72 corn brooms.....	46.80
5 gallons P. & B. paint.....	14.30
60 gallons gasoline.....	55.50

50 pounds China glue.....	P 13. 35
10 pounds Green Island cement.....	46. 00
2 barrels lime.....	8. 10
Total.....	184. 05

CARE AND MAINTENANCE OF MACHINERY.

2 brass bushings.....	42. 30
98 pounds asbestos packing.....	111. 72
4 taps, assorted.....	4. 00
10 gallons mineral oil.....	3. 50
108 pounds brass castings.....	48. 60
98 pounds iron castings.....	12. 74
6 cast-iron pulleys.....	11. 70
15 globe valves.....	37. 80
53 gallons Valvoline machine oil.....	58. 30
5 pounds blank nuts.....	1. 25
31 globe valves.....	54. 25
12 galvanized-iron tees.....	4. 20
12 galvanized-iron elbows.....	2. 64
250 H. H. bolts.....	74. 42
250 H. H. nuts.....	89. 30
250 safety clamps.....	148. 84
12 H. H. plates.....	7. 14
3 Metropolitan injectors.....	464. 36
Total.....	1, 177. 06

CARE AND MAINTENANCE OF WATER TRANSPORTATION.

1 package sail needles.....	0. 50
1 brass flange casting.....	2. 80
1 brass valve.....	. 80
422 pounds rope.....	99. 17
1 gross brass garments.....	10. 00
290 pounds rope.....	68. 15
Total.....	181. 42

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

W. W. Richards, for shoeing horses.....	^a 51. 00
36 black harness rings.....	1. 50
1 gross carriage knobs.....	1. 13
12 quires sandpaper.....	3. 60
1 iron casting for blacksmith's forge.....	1. 30
2 sheepskins for blacksmith apron.....	4. 80
288 sheets sandpaper.....	3. 36
3 carpenter bits.....	1. 05
Total.....	67. 74

INSULAR PURCHASING AGENT.

10 per cent commission, contingent expenses:	
Voucher 39.....	15. 40
Voucher 40.....	6. 56
Voucher 41.....	8. 16
Voucher 42.....	55. 55
Voucher 43.....	62. 76
Voucher 44.....	30. 21
Voucher 45.....	15. 10
Voucher 47.....	. 90
Voucher 48 (part).....	. 95
Voucher 50.....	136. 18
Total.....	331. 77

^a Paid by check.

IMPROVEMENT OF PLANT, ACT 1049.

4 barrels pitch.....	P 50. 08
749 board feet Oregon pine, ripped.....	42. 69
20 barrels pitch.....	317. 59
12 gallons P. & B. paint.....	34. 32
50 pounds red lead.....	6. 00
2,783 board feet Oregon pine, ripped.....	133. 58
Total.....	584. 26

INSULAR PURCHASING AGENT.

10 per cent commission, improvement of plant:	
Voucher 38.....	9. 28
Voucher 46.....	31. 76
Voucher 48 (part).....	3. 43
Voucher 49.....	13. 96
Total.....	58. 43

RECAPITULATION.

Salaries and wages.....	14, 583. 94
Incidental contingent expenses.....	P 14. 00
Office supplies.....	65. 54
Forage.....	1, 692. 95
Care and maintenance of buildings and grounds.....	184. 05
Care and maintenance of machinery.....	1, 177. 06
Care and maintenance of water transportation.....	181. 42
Care and maintenance of land transportation.....	67. 74
Insular purchasing agent's commission.....	331. 77
	3, 714. 53
Improvement of plant, act 1049.....	584. 26
Insular purchasing agent's commission.....	58. 43
	642. 69
Total.....	18, 941. 16

List of property turned over to the bureau of architecture on March 4, 1904, in compliance with executive order No. 10.

LUMBER, ETC.

Redwood baseboard.....	feet..	15, 136
Door casing.....	do..	24, 552
Molding.....	do..	29, 588
Rough lumber.....	do..	18, 264
Doors.....		13
Window sash.....		30
Glass.....	panes..	1, 200

IRON, ETC.

Roofing iron.....	sheets..	1, 538
Angle irons.....		430
Large door weights.....		17
Iron doors.....		29
Building iron.....	feet..	264
Nails.....	kegs..	35
T-rails.....		36
Building washers.....	kegs..	32
Sliding-door track.....	feet..	900
Bolts.....	pounds..	15, 461
Building brackets.....		8
Window gratings.....		19
Wall ties.....		4, 500
8-inch water spouts.....	feet..	2, 500

PLUMBING.

Bath tubs (porcelain lined).....		4
Lead pipe.....	pounds..	10,322
Lead.....	do.....	3,900
China bowls.....		7
Closest sets, complete.....		6
Enameled sinks.....		5
Enameled laundry sinks.....		3
Splasher boards.....		7

PAINTS, ETC.

Carbolineum.....	barrels..	28
Mixed paint (oil).....	do.....	37
Dry paint.....	kegs.....	18
Varnish.....	barrels..	24
Alcohol.....	do.....	4

EXHIBIT 4.

REPORT OF THE ACTING SUPERINTENDENT OF THE INSULAR COLD STORAGE AND ICE PLANT.

INSULAR COLD STORAGE AND ICE PLANT,
Manila, P. I., September 12, 1904.

DEAR SIR: I have the honor to submit herewith a supplemental report containing a tabulated statement of the business of this bureau during the months of July and August, 1904.

Very respectfully,

J. F. EDMISTON,
Acting Superintendent.

The SECRETARY OF FINANCE AND JUSTICE,
Manila, P. I.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., August 8, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of July, 1904:

On hand June 30, as per last report	pounds..	383, 100	
Drawn during the month.....	do.....	2, 529, 300	
			2, 912, 400
Delivered during the month.....	do....	2, 587, 390	
On hand July 31.....	do.....	295, 200	
Wastage during the month.....	do.....	29, 810	
			<u>2, 912, 400</u>

EARNINGS.

Cold storage:			
Contract with Subsistence Department U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....		₱ 20, 938. 33	
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....		2, 500. 00	
Cold storage space rented to sundry persons.....		222. 78	
			₱ 23, 661. 11
Ice sales:			
Army, Navy, and Marines.....		10, 497. 63	
Officers and civilians.....		6, 378. 55	
Government bureaus.....		1, 598. 30	
Cash sales.....		3, 783. 50	
Ice coupon books.....		4, 595. 00	
			26, 852. 98
Water sales:			
Government bureaus.....		493. 72	
Water tickets.....		376. 00	
			869. 72

Miscellaneous revenues:

Electric current.....	P 451. 39	
Sale of ammonia.....	19. 89	
		P 471. 28

Total earnings.....	51, 855. 09
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Collections:

Business prior to September 1, 1903.....	8. 00
Business since September 1, 1903.....	45, 359. 77
	45, 367. 77

Respectfully submitted.

J. F. EDMISTON,
Acting Superintendent.

**INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., September 6, 1904.**

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of August, 1904.

ICE ACCOUNTS.

On hand July 31, as per last report.....pounds..	295, 200	
On hand July 31, omitted through error.....do....	174, 600	
Drawn during the month.....do....	2, 826, 600	
		3, 296, 400
Delivered during the month.....do....	2, 754, 997	
On hand August 31.....do....	297, 000	
Wastage during the month.....do....	244, 403	
		3, 296, 400

EARNINGS.**Cold storage:**

Contract with Subsistence Department U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20, 938. 33	
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....	2, 500. 00	
Cold storage space rented to sundry persons.....	145. 86	
		P 23, 584. 19

Ice sales:

Army, Navy, and Marines.....	11, 533. 58	
Officers and civilians.....	6, 944. 55	
Government bureaus.....	1, 660. 35	
Cash sales.....	4, 253. 69	
Ice coupon books.....	4, 402. 00	
		28, 794. 17

Water sales:

Government bureaus.....	475. 08	
Water tickets.....	404. 00	
		879. 08

Miscellaneous revenues:

Electric current.....	527. 96	
Sales of scrap, etc.....	387. 02	
		914. 98

Total earnings.....	51, 172. 42
---------------------	-------------

Collections:

Business prior to September 1, 1903.....	32. 00
Business since September 1, 1903.....	43, 343. 39
	43, 375. 39

Respectfully submitted.

J. F. EDMISTON,
Acting Superintendent.

EXHIBIT 4. REPORT OF THE ACTING SUPERINTENDENT OF THE INSULAR COLD STORAGE AND ICE PLANT.

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Very respectfully,

J. F. EDMISTON,
Acting Superintendent.

The SECRETARY OF FINANCE AND JUSTICE,
Manila, P. I.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., August 8, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of July, 1904:

On hand June 30, as per last report	..... pounds..	383, 100	
Drawn during the month	..... do.....	2, 529, 300	2, 912, 400
Delivered during the month	..... do.....	2, 587, 390	
On hand July 31	..... do.....	295, 200	
Wastage during the month	..... do.....	29, 810	
			<u>2, 912, 400</u>

EARNINGS.

Cold storage:		
Contract with Subsistence Department U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot	P 20, 638. 33	
Rent of room No. 5 for use by Subsistence Department as issue and sales room	2, 500. 00	
Cold storage space rented to sundry persons	222. 78	
		P 23, 661. 11
Ice sales:		
Army, Navy, and Marines	10, 497. 63	
Officers and civilians	6, 378. 55	
Government bureaus	1, 598. 30	
Cash sales	3, 783. 50	
Ice coupon books	4, 595. 00	
		26, 852. 98
Water sales:		
Government bureaus	493. 72	
Water tickets	376. 00	
		869. 72

Miscellaneous revenues:

Electric current.....	P 451. 39	
Sale of ammonia.....	19. 89	
		P 471. 28

Total earnings.....	51, 855. 09
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Collections:

Business prior to September 1, 1903.....	8. 00
Business since September 1, 1903.....	45, 359. 77
	45, 367. 77

Respectfully submitted.

J. F. EDMISTON,
Acting Superintendent.

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., September 6, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of August, 1904.

ICE ACCOUNTS.

On hand July 31, as per last report.....pounds..	295, 200	
On hand July 31, omitted through error.....do....	174, 600	
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		3, 296, 400
Delivered during the month.....do.....	2, 754, 997	
On hand August 31.....do.....	297, 000	
Wastage during the month.....do.....	244, 403	
		3, 296, 400

EARNINGS.**Cold storage:**

Contract with Subsistence Department U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20, 938. 33	
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....	2, 500. 00	
Cold storage space rented to sundry persons.....	145. 86	
		P 23, 584. 19

Ice sales:

Army, Navy, and Marines.....	11, 533. 58	
Officers and civilians.....	6, 944. 55	
Government bureaus.....	1, 660. 35	
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Ice coupon books.....	4, 402. 00	
		28, 794. 17

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Electric current.....	527. 96	
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Total earnings.....	54, 172. 42
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Collections:

Business prior to September 1, 1903.....	32. 00
Business since September 1, 1903.....	43, 343. 39
	43, 375. 39

Respectfully submitted.

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Acting Superintendent.

EXHIBIT 4.

REPORT OF THE ACTING SUPERINTENDENT OF THE INSULAR COLD STORAGE AND ICE PLANT.

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INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., August 8, 1904.

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Delivered during the month.....	do.....	2, 587, 390	
On hand July 31.....	do.....	295, 200	
Wastage during the month.....	do.....	29, 810	
			2, 912, 400

EARNINGS.

Cold storage:			
Contract with Subsistence Department U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20, 638. 33		
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....	2, 500. 00		
Cold storage space rented to sundry persons.....	222. 78		
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Ice sales:			
Army, Navy, and Marines.....	10, 497. 63		
Officers and civilians.....	6, 378. 55		
Government bureaus.....	1, 598. 30		
Cash sales.....	3, 783. 50		
Ice coupon books.....	4, 595. 00		
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			869. 72

Miscellaneous revenues:	
Electric current.....	P 451. 39
Sale of ammonia.....	19. 89
	<hr/>
	P 471. 28
Total earnings.....	51, 855. 09
	<hr/>
Collections:	
Business prior to September 1, 1903.....	8. 00
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	<hr/>
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 Respectfully submitted.	
 J. F. EDMISTON, <i>Acting Superintendent.</i>	

INSULAR COLD STORAGE AND ICE PLANT,
OFFICE OF THE SUPERINTENDENT,
Manila, P. I., September 6, 1904.

I certify that the following is a true statement of the business transacted by the insular cold storage and ice plant during the month of August, 1904.

ICE ACCOUNTS.

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Delivered during the month.....do....	2, 754, 997	
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Wastage during the month.....do....	244, 403	
	<hr/>	3, 296, 400

EARNINGS.

Cold storage:	
Contract with Subsistence Department U. S. Army, 299,119 cubic feet, at 7 cents per cubic foot.....	P 20, 938. 33
Rent of room No. 5 for use by Subsistence Department as issue and sales room.....	2, 500. 00
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	<hr/>
	P 23, 584. 19
Ice sales:	
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Officers and civilians.....	6, 914. 55
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Ice coupon books.....	4, 402. 00
	<hr/>
	28, 794. 17
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Government bureaus.....	475. 08
Water tickets.....	401. 00
	<hr/>
	879. 08
Miscellaneous revenues:	
Electric current.....	527. 96
Sales of scrap, etc.....	387. 02
	<hr/>
	914. 98
Total earnings.....	54, 172. 42
	<hr/>
Collections:	
Business prior to September 1, 1903.....	32. 00
Business since September 1, 1903.....	43, 343. 39
	<hr/>
	43, 375. 39
 Respectfully submitted.	
 J. F. EDMISTON, <i>Acting Superintendent.</i>	

Statement of expenditures of insular cold storage and ice plant, for the month of July, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P2, 200. 43
Engineering and manufacturing department.....	4, 757. 87
Cold storage department.....	827. 70
Land transportation department.....	2, 508. 12
Water transportation department.....	1, 377. 99
Care and maintenance of buildings and grounds.....	1, 731. 99
Total.....	13, 404. 10

INCIDENTAL CONTINGENT EXPENSES.

Post-office box rent for quarter ending September 30, 1904.....	8. 00
100 gallons turpentine.....	170. 00
5 pounds iron wire, B. & S. gauge, No. 16.....	1. 00
25 pounds fish-bone glue, for cabinetmaking.....	20. 00
Total.....	199. 00

OFFICE SUPPLIES.

200 scratch pads.....	20. 00
1 facsimile stamp.....	1. 80
Total.....	21. 80

FORAGE.

10,700 pounds oats.....	392. 05
13,032 pounds hay.....	444. 39
Total.....	836. 44

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

100 pounds yellow ochre, dry.....	5. 20
1 pair grass shears.....	1. 00
25 pounds China glue.....	6. 68
Total.....	12. 88

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

30 pounds rojo granate.....	16. 20
6 ounces nitrate of silver.....	2. 50
400 pounds horseshoes, assorted.....	34. 80
144 pounds axle grease.....	18. 72
Total.....	72. 22

CARE AND MAINTENANCE OF WATER TRANSPORTATION.

200 pounds oakum.....	40. 00
6 pounds white cotton twine.....	3. 66
Total.....	43. 66

CARE AND MAINTENANCE OF MACHINERY.

88½ square feet lace leather.....	29. 74
200 feet rubber hose, ½-inch.....	40. 00
6 hose clamps, ½-inch.....	. 36
6 hose clamps, 1-inch.....	. 48
50,000 pounds American salt.....	1, 650. 00
14 brass globe valves, 1½-inch.....	35. 00
24 set screws, ¾ by 1 inch.....	1. 92
6 Hoyt's gauge cocks, 1-inch.....	20. 22
107 pounds Garlock ring packing, assorted.....	237. 54
4 pounds steel spring wire, B. & S. gauge No. 11.....	1. 80
4½ pounds steel spring wire, B. & S. gauge No. 10.....	2. 03
5 pounds brass spring wire, B. & S. gauge No. 11.....	6. 25
65 pounds round machine steel, 2 by 72 inches.....	6. 50
138 pounds iron castings.....	17. 94
Total.....	2, 049. 78

INSULAR PURCHASING AGENT.

10 per cent commission, contingent expenses:

Voucher 1.....	P7. 49
Voucher 2.....	3. 62
Voucher 3.....	189. 78
Voucher 4.....	2. 55
Voucher 5.....	24. 86
Voucher 6.....	84. 29
Voucher 7.....	10. 18
Total.....	322. 77

RECAPITULATION.

Salaries and wages.....		13, 404. 10
Incidental contingent expenses.....	P199. 00	
Office supplies.....	21. 80	
Forage.....	836. 44	
Care and maintenance of buildings and grounds.....	12. 88	
Care and maintenance of land transportation.....	72. 22	
Care and maintenance of water transportation.....	43. 66	
Care and maintenance of machinery.....	2, 049. 78	
Insular purchasing agent's commission.....	322. 77	
Total.....		3, 558. 55
Total.....		16, 962. 65

Statement of expenditures of insular cold storage and ice plant for the month of August, 1904.

SALARIES AND WAGES.

Office force and sales department.....	P1, 905. 99
Engineering and manufacturing department.....	5, 104. 64
Cold-storage department.....	932. 62
Water-transportation department.....	2, 501. 59
Land-transportation department.....	1, 370. 66
Care and maintenance of buildings and grounds.....	1, 602. 81
Total.....	13, 418. 31

INCIDENTAL CONTINGENT EXPENSES.

Telephone rent for July, 1904.....	12. 00
Subscription to Daily Bulletin, for year 1905.....	10. 00
Total.....	22. 00

OFFICE SUPPLIES.

24 quarts premium fluid ink.....	14. 40
60 duplicate notebooks.....	30. 00
3 jars library paste.....	. 72
Total.....	45. 12

ELECTRICAL SUPPLIES.

12 snap switches, assorted.....	18. 00
400 yards flexible cotton cord.....	28. 00
600 feet weatherproof insulation wire.....	12. 00
Total.....	58. 00

AMMONIA.

4,140 pounds anhydrous ammonia.....	4, 347. 00
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FORAGE.

10,800 pounds oats.....	406. 51
4,500 pounds hay.....	156. 60
Total.....	563. 11

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

3 pounds sponges.....	₱15. 60
72 quarts harness dressing.....	42. 00
5 pounds vaseline.....	2. 10
10 pairs harness hames.....	125. 00
3 dozen brass hame rings.....	36. 00
131 pounds black harness leather.....	101. 29
28 pounds tan harness leather.....	27. 22
24 currycombs.....	6. 24
1 pair hoof nippers.....	3. 00
1 dozen bridle bits.....	12. 00
Total.....	370. 45

CARE AND MAINTENANCE OF MACHINERY.

155 pounds Amazon packing, assorted.....	212. 10
137 pounds Peerless packing, assorted.....	172. 20
165 pounds square flax packing.....	90. 75
30 pounds millboard packing.....	2. 63
34 pounds asbestos sheet packing.....	41. 82
51 pounds ammonia packing cut rings.....	118. 00
73 pounds asbestos packing.....	109. 50
826½ gallons liquid base oil.....	636. 53
518 gallons valvoline engine oil.....	569. 80
513 gallons cylinder oil.....	728. 46
1 barrel rock lime.....	2. 11
5 barrels Portland Green Island cement.....	23. 00
500 fire bricks.....	67. 50
1,000 American bricks.....	20. 00
5 barrels fire clay.....	24. 82
340 pounds cast-iron plates.....	47. 60
291 pounds iron castings.....	37. 83
80 pounds Muntz metal.....	32. 30
50 pounds Dixon's graphite.....	16. 00
100 pounds metal polish.....	26. 00
720 sheets emery cloth.....	25. 68
48 air-pump valves.....	283. 10
200 circulating-pump valves.....	272. 22
75 boiler tubes.....	1,119. 50
1 wire gauge, B. & S. No. 730.....	5. 04
6 tubular steel wheelbarrows.....	84. 00
4½ dozen files, assorted.....	49. 66
4 machinist's hammers, P. B.....	4. 12
24 hack saw blades.....	5. 00
Total.....	4,827. 27

CARE AND MAINTENANCE OF WATER TRANSPORTATION.

9 pounds brass castings.....	4. 05
84 board feet guijo.....	19. 25
4 feet copper pine.....	6. 50
30 yards wicking.....	3. 00
Total.....	32. 80

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

1 roll rubberoid roofing, 3 cans cement, 2 packages nails, washers.....	13. 00
25 pounds finishing nails.....	2. 06
6 lampwicks.....	. 90
Total.....	15. 96

INSULAR PURCHASING AGENT.

10 per cent commission, contingent expenses:	
Voucher No. 8.....	51. 95
Voucher No. 9.....	3. 89
Voucher No. 10.....	74. 82

10 per cent commission, contingent expenses—Continued.

Voucher No. 11.....	P 16. 26
Voucher No. 12.....	39. 55
Voucher No. 13.....	46. 58
Voucher No. 14.....	242. 81
Voucher No. 15.....	441. 68
Voucher No. 16.....	. 30
Voucher No. 17.....	38. 22
Voucher No. 18.....	69. 90
Total.....	1, 025. 96

RECAPITULATION.

Salaries and wages.....	13, 418. 31
Incidental contingent expenses.....	P 22. 00
Office supplies.....	45. 12
Electrical supplies.....	58. 00
Ammonia.....	4, 347. 00
Forage.....	563. 11
Care and maintenance of land transportation.....	370. 45
Care and maintenance of machinery.....	4, 827. 27
Care and maintenance of water transportation.....	32. 80
Care and maintenance of buildings and grounds.....	15. 96
Insular purchasing agent's commission.....	1, 025. 96
	11, 307. 67
	24, 725. 98
Overcharge, voucher No. 15, February 6, 1904.....	19. 80
Total.....	24, 706. 18

Stores on hand July 1, 1904, and received during July and August, 1904, on account of Subsistence Department, United States Army.

Articles.	Unit.	On hand.	Received.	Total.
Fresh beef.....	Quarters.....	6, 518	9, 482	16, 000
Fresh mutton.....	Carcasses.....	2, 385	984	3, 369
Fresh chickens.....	do.....	76		76
Fresh ducks.....	do.....	41		41
Fresh geese.....	do.....	4		4
Fresh turkeys.....	do.....	16		16
Fresh fruit:				
Apples.....	Cases.....		16	16
Lemons.....	do.....	2		2
Limes.....	do.....	2		2
Oranges.....	do.....		26	26
Beef stew:				
No. 1.....	do.....		1, 500	1, 500
No. 2.....	do.....		2, 500	2, 500
Butter, Australian.....	do.....	186	599	785
Butterine.....	Kegs.....	29	14	43
Cheese:				
Cream.....	Cases.....		215	215
Edam.....	do.....	154	100	254
Cranberry sauce.....	do.....	790		790
Fish:				
Cod.....	do.....	136	71	207
Mackerel.....	do.....		208	208
Ginger ale, imported.....	Barrels.....	495		495
Lard.....	Cases.....		876	876
Lobster.....	do.....	30	78	108
Milk:				
Australian.....	do.....	390		390
Eagle.....	do.....	91		91
H. C.....	do.....	1, 600	1, 500	2, 500
Pickles:				
Chowchow.....	do.....		200	200
Cucumber.....	Kegs.....	762		762
Gherkins, at 24.....	Cases.....		114	114
Gherkins, at 12.....	do.....		72	72
Sauerkraut.....	Kegs.....	294	300	594
Tansan water:				
Pints.....	Cases.....	47	900	947
Splits.....	do.....		200	200
Vinegar.....	Barrels.....	20	160	180
Yeast magic.....	Cases.....	87		87

CARE AND MAINTENANCE OF LAND TRANSPORTATION.

3 pounds sponges.....	P15. 60
72 quarts harness dressing.....	42. 00
5 pounds vaseline.....	2. 10
10 pairs harness hames.....	125. 00
3 dozen brass hame rings.....	36. 00
131 pounds black harness leather.....	101. 29
28 pounds tan harness leather.....	27. 22
24 currycombs.....	6. 24
1 pair hoof nippers.....	3. 00
1 dozen bridle bits.....	12. 00
Total.....	370. 45

CARE AND MAINTENANCE OF MACHINERY.

155 pounds Amazon packing, assorted.....	212. 10
137 pounds Peerless packing, assorted.....	172. 20
165 pounds square flax packing.....	90. 75
30 pounds millboard packing.....	2. 63
34 pounds asbestos sheet packing.....	41. 82
51 pounds ammonia packing cut rings.....	118. 00
73 pounds asbestos packing.....	109. 50
826½ gallons liquid base oil.....	636. 53
518 gallons valvoline engine oil.....	569. 80
513 gallons cylinder oil.....	728. 46
1 barrel rock lime.....	2. 11
5 barrels Portland Green Island cement.....	23. 00
500 fire bricks.....	67. 50
1,000 American bricks.....	20. 00
5 barrels fire clay.....	24. 82
340 pounds cast-iron plates.....	47. 60
291 pounds iron castings.....	37. 83
80 pounds Muntz metal.....	32. 30
50 pounds Dixon's graphite.....	16. 00
100 pounds metal polish.....	26. 00
720 sheets emery cloth.....	25. 68
48 air-pump valves.....	283. 10
200 circulating-pump valves.....	272. 22
75 boiler tubes.....	1, 119. 50
1 wire gauge, B. & S. No. 730.....	5. 04
6 tubular steel wheelbarrows.....	84. 00
4½ dozen files, assorted.....	49. 66
4 machinist's hammers, P. B.....	4. 12
24 hack saw blades.....	5. 00
Total.....	4, 827. 27

CARE AND MAINTENANCE OF WATER TRANSPORTATION.

9 pounds brass castings.....	4. 05
84 board feet guijo.....	19. 25
4 feet copper pine.....	6. 50
30 yards wicking.....	3. 00
Total.....	32. 80

CARE AND MAINTENANCE OF BUILDINGS AND GROUNDS.

1 roll rubberoid roofing, 3 cans cement, 2 packages nails, washers.....	13. 00
25 pounds finishing nails.....	2. 06
6 lampwicks.....	. 90
Total.....	15. 96

INSULAR PURCHASING AGENT.

10 per cent commission, contingent expenses:	
Voucher No. 8.....	51. 95
Voucher No. 9.....	3. 89
Voucher No. 10.....	74. 82

10 per cent commission, contingent expenses—Continued.

Voucher No. 11.....	₱ 16. 26
Voucher No. 12.....	39. 55
Voucher No. 13.....	46. 58
Voucher No. 14.....	242. 81
Voucher No. 15.....	441. 68
Voucher No. 16.....	. 30
Voucher No. 17.....	38. 22
Voucher No. 18.....	69. 90
Total.....	1,025. 96

RECAPITULATION.

Salaries and wages.....	13,418. 31
Incidental contingent expenses.....	₱ 22. 00
Office supplies.....	45. 12
Electrical supplies.....	58. 00
Ammonia.....	4,347. 00
Forage.....	563. 11
Care and maintenance of land transportation.....	370. 45
Care and maintenance of machinery.....	4,827. 27
Care and maintenance of water transportation.....	32. 80
Care and maintenance of buildings and grounds.....	15. 96
Insular purchasing agent's commission.....	1,025. 96
	11,307. 67
	24,725. 98
Overcharge, voucher No. 15, February 6, 1904.....	19. 80
Total.....	24,706. 18

*Stores on hand July 1, 1904, and received during July and August, 1904, on account of
Subsistence Department, United States Army.*

Articles.	Unit.	On hand.	Received.	Total.
Fresh beef.....	Quarters.....	6,518	9,452	16,000
Fresh mutton.....	Carcasses.....	2,385	984	3,369
Fresh chickens.....	do.....	76		76
Fresh ducks.....	do.....	41		41
Fresh geese.....	do.....	4		4
Fresh turkeys.....	do.....	16		16
Fresh fruit:				
Apples.....	Cases.....		16	16
Lemons.....	do.....	2		2
Limes.....	do.....	2		2
Oranges.....	do.....		26	26
Beef stew:				
No. 1.....	do.....		1,500	1,500
No. 2.....	do.....		2,500	2,500
Butter, Australian.....	do.....	186	599	785
Butterine.....	Kegs.....	29	14	43
Cheese:				
Cream.....	Cases.....		215	215
Edam.....	do.....	154	100	254
Cranberry sauce.....	do.....	790		790
Fish:				
Cod.....	do.....	136	71	207
Mackerel.....	do.....		208	208
Ginger ale, imported.....	Barrels.....	495		495
Lard.....	Cases.....		876	876
Lobster.....	do.....	30	78	108
Milk:				
Australian.....	do.....	390		390
Eagle.....	do.....	91		91
H. C.....	do.....	1,600	1,500	2,500
Pickles:				
Chowchow.....	do.....		200	200
Cucumber.....	Kegs.....	762		762
Gherkins, at 24.....	Cases.....		114	114
Gherkins, at 12.....	do.....		72	72
Sauerkraut.....	Kegs.....	294	300	594
Tausan water:				
Pints.....	Cases.....	47	900	947
Splits.....	do.....		200	200
Vinegar.....	Barrels.....	20	100	120
Yeast magic.....	Cases.....	87		87

Stores delivered during July and August, 1904, and remaining on hand August 31, 1904, on account of Subsistence Department, United States Army.

Articles.	Unit.	Delivered.	Remaining on hand.	Total
Fresh beef.....	Quarters.....	6,097	9,503	16,600
Fresh mutton.....	Carcasses.....	874	2,495	3,369
Fresh chickens.....	do.....	76		76
Fresh ducks.....	do.....	41		41
Fresh geese.....	do.....	4		4
Fresh turkeys.....	do.....	11	5	16
Fresh fruit:				
Apples.....	Cases.....	16		16
Lemons.....	do.....	2		2
Limes.....	do.....	2		2
Oranges.....	do.....	26		26
Beef stew:				
No. 1.....	do.....		1,500	1,500
No. 2.....	do.....		2,500	2,500
Butter, Australian.....	do.....	477	308	785
Butterine.....	Kegs.....	36	7	43
Cheese:				
Cream.....	Cases.....	134	81	215
Edam.....	do.....	203	51	254
Cranberry sauce.....	do.....	22	768	790
Fish:				
Cod.....	do.....	123	84	207
Mackerel.....	do.....	6	202	208
Ginger ale, imported.....	Barrels.....	66	429	495
Lard.....	Cases.....	430	446	876
Lobster.....	do.....	24	84	108
Milk:				
Australian.....	do.....	144	246	390
Eagle.....	do.....	37	54	91
H. C.....	do.....	900	1,600	2,500
Pickles:				
Chowchow.....	do.....	7	193	200
Cucumber.....	Kegs.....	415	347	762
Gherkins, at 24.....	Cases.....	2	112	114
Gherkins, at 12.....	do.....		72	72
Sauerkraut.....	Kegs.....	575	19	594
Tansen water:				
Pints.....	Cases.....	652	295	947
Splits.....	do.....	115	85	200
Vinegar.....	Barrels.....	22	98	120
Yeast magic.....	Cases.....	1	86	87

Quantity of ice sold during July and August, 1904.

	July.	August.	Total.
	Pounds.	Pounds.	Pounds.
Army, Navy, and Marines.....	1,049,763	1,153,358	2,203,121
Officers and civilians.....	632,080	685,980	1,318,060
Government bureaus.....	159,830	166,035	325,865
Coupon customers.....	477,150	457,430	934,580
Cash sales.....	268,567	292,194	560,761
Total.....	2,587,390	2,754,997	5,342,387

Revenues from cold storage during July and August, 1904.

	July.	August.	Total.
Contract with Subsistence Department, U. S. Army:			
For 239,119 cubic feet.....	₱20,938.33	₱20,938.33	₱41,876.66
For 42,418 cubic feet as sales and issue room.....	2,500.00	2,500.00	5,000.00
Space rented to sundry persons.....	222.78	145.86	368.64
Total.....	23,661.11	23,584.19	47,245.30

Revenues from sales of ice and other sources during July and August, 1904.

	July.	August.	Total.
Sales of ice:			
Army, Navy, and Marines.....	P10,497.63	P11,533.58	P22,031.21
Officers and civilians.....	6,378.55	6,944.55	13,323.10
Government bureaus.....	1,598.30	1,600.35	3,258.65
Coupon customers.....	4,595.00	4,402.00	8,997.00
Cash sales.....	3,783.50	4,253.69	8,037.19
Total.....	26,852.98	28,794.17	55,647.15
Other sources:			
Distilled water.....	869.72	879.08	1,748.80
Miscellaneous revenues.....	471.28	914.08	1,386.26
Total.....	1,341.00	1,794.06	3,135.06

Financial statement of insular cold storage and ice plant for the months of July and August, 1904.

TOTAL REVENUES.

	Ice.	Water.	Cold storage.	Miscellaneous revenues.	Total.
July.....	P26,852.98	P869.72	P23,661.11	P471.28	P51,855.09
August.....	28,794.17	879.08	23,584.19	914.08	54,172.42
Total.....	55,647.15	1,748.80	47,245.30	1,386.26	106,027.51

CASH RECEIPTS DEPOSITED WITH INSULAR TREASURER.

July.....	P28,092.21	P753.92	P24,883.23	P262.41	P53,991.77
August.....	27,651.47	852.12	23,070.04	391.95	52,565.58
Total.....	55,743.68	1,606.04	48,553.27	654.36	106,557.35

EXPENDITURES.

	July.	August.	Total.
Salaries and wages.....	P13,404.10	P13,418.31	P26,822.41
Incidental contingent expenses.....	190.00	22.00	221.00
Office supplies.....	21.80	45.12	66.92
Electrical supplies.....		58.00	58.00
Ammonia.....		4,347.00	4,347.00
Forage.....	826.44	563.11	1,389.55
Care and maintenance of land transportation.....	72.22	370.45	442.67
Care and maintenance of water transportation.....	43.66	32.80	76.46
Care and maintenance of machinery.....	2,049.78	4,827.27	6,877.05
Care and maintenance of buildings and grounds.....	12.88	15.66	28.84
Insular purchasing agent's commission.....	322.77	1,025.96	1,348.73
Total.....	16,962.65	24,725.98	41,688.63
Overcharge, voucher No. 15, February 6 1904.....			19.80
			41,668.83

RECAPITULATION.

Total revenues.....	P106,027.51
Expenditures.....	41,668.83
Excess revenue over expenditures.....	64,358.68

EXHIBIT 5.

RECEIPTS AND DISBURSEMENTS OF THE INSULAR COLD STORAGE AND ICE PLANT DURING THE FISCAL YEAR 1904.

Earnings.....	P 602, 948. 81
Expenditures.....	395, 622. 18
	<hr/>
Excess of earnings over expenditures.....	207, 326. 63
To arrive at the actual net earnings of the plant for this period it will be necessary to add to the above the following items which were no part of the running expenses of the plant:	
Improvement of the plant:	
Installing an additional freezing tank, 18 tons capacity..	P 17, 151. 08
2 automatic stokers and attachments ordered and delivered, fiscal year 1903, which have proved worthless....	4, 117. 63
1 spiral staircase ordered and delivered, fiscal year 1903, which is worthless as far as concerns the plant.....	335. 28
4 ice wagons delivered June, 1902.....	2, 636. 70
	<hr/>
	24, 240. 69
Less 880 tons coal consumed, fiscal year 1904, as yet unpaid for..	11, 519. 20
	<hr/>
	12, 721. 49
	<hr/>
	220, 048. 12

EXHIBIT 6.

REPORT OF THE CHIEF OF THE DIVISION OF CURRENCY.

TREASURY BUREAU, DIVISION OF THE CURRENCY,
Manila, P. I., September 1, 1904.

SIR: In accordance with the provisions of section 11 of Act 938, United States Philippine Commission, which provides that "the chief of the division of the currency shall be required to make to the insular treasurer an annual report covering the affairs and business of the division in detail," I have the honor to submit the following report covering the period from October 10, 1903, the date of the enactment of the Philippine gold-standard act (United States Philippine Commission, No. 938), to September 1, 1904.

CERTIFICATES OF INDEBTEDNESS.

Since the last annual report of the Philippine Commission two additional series of certificates of indebtedness have been issued, pursuant to section 6 of the Philippine coinage act of Congress, approved March 2, 1903. These series were issued upon the same terms and conditions as the two series of last year, and the proceeds therefrom were used in paying off the two former series upon the dates of their respective maturities. The terms and results of the four series so far issued may be briefly summarized as follows:

Philippine certificates of indebtedness.

	Date of series.	Denomination.	Amount issued.	Rate of interest.	Maturity.	Rate of premium.	Net interest paid.
				<i>Per ct</i>			
I.....	May 1, 1903	\$1,000	\$3,000,000	4	May 1, 1904	2.513	1.487
II.....	Sept. 1, 1903	1,000	3,000,000	4	Sept. 1, 1904	2.24	1.76
III.....	May 1, 1904	1,000	3,000,000	4	May 1, 1905	1.181	2.819
IV.....	Sept. 1, 1904	1,000	3,000,000	4	Sept. 1, 1905	1.41	2.59

Under the Philippine gold-standard act provision is made that a considerable part of the gold-standard fund, which fund is constituted principally from the proceeds of certificates of indebtedness, shall be kept on deposit in New York City. In speaking of the proceeds of the above certificates of indebtedness it should therefore be added that a considerable part of the proceeds realized therefrom has been kept on deposit in New York City, and that up to April 1, 1904, the Philippine government realized upon the average daily balance of this fund in New York an interest of $3\frac{1}{2}$ per cent. Since April 1, 1904, the rate has been 3 per cent.

COINAGE OF NEW PHILIPPINES CURRENCY.

Any statement of the expenses connected with the coinage of the new currency requires that the money coined should be separated

into two distinct parts, (1) that coined from bullion purchased, (2) the recoinage, or that coined from local currency collected in the islands and shipped to the San Francisco mint for recoinage.

No complete and detailed report has yet been received by this office with reference to the cost of money coined from bullion purchased. On the basis of the data so far available, however, and on the assumption that expenses of minting, transportation, etc., in the case of coins upon which detailed returns have not yet been received will be the same as those for similar services in the cases already reported, the following figures have been prepared by the chief of the division of the currency, which, although subject to revision, are believed to represent an approximation sufficiently close for practical purposes.

Seventeen million three hundred and thirty-four thousand five hundred pesos, Philippines currency,^a in silver coins have been coined from bullion purchased. The total cost of the bullion used in their coinage has been ₱14,745,981.30, giving an average of \$0.5453 per ounce fine. The mint charges for the coinage of this sum have been approximately ₱419,673.60, and the expenses connected with its transportation to the islands, including packing, freight, and insurance, have been approximately ₱45,114.41, which gives a gross seigniorage (face value of coins, less cost of bullion) of approximately ₱2,588,518.70, a net seigniorage (face value of coins, less cost of bullion and mintage expenses) of approximately ₱2,168,845.10, and a net seigniorage, less transportation charges, of approximately ₱2,123,730.69.

Four hundred and ninety-nine thousand two hundred and fifty pesos, Philippines currency, in nickels, have been received, the cost of the bullion consumed in the making of which was approximately ₱119,293.10, the mintage charges approximately ₱5,391.90, the transportation expenses approximately ₱3,734.89, giving a gross seigniorage on the nickels of approximately ₱379,956.90, a net seigniorage of approximately ₱374,565.70, and a net seigniorage, less transportation expenses, of approximately ₱370,830.11.

Three hundred and thirty-six thousand seven hundred and seventy pesos, Philippines currency, in copper coins (inclusive of ₱44,000 received September 2, 1904) have been received. The cost of bullion was approximately ₱217,616.65, the mintage charges were approximately ₱9,092.79, the transportation expenses were approximately ₱12,436.91, giving a gross seigniorage on the copper coins of approximately ₱119,153.35, a net seigniorage of approximately ₱110,060.56, and a net seigniorage, less transportation expenses, of approximately ₱97,623.65.

The above figures give a total gross seigniorage of ₱3,087,628.95, a total net seigniorage of ₱2,653,470.66, and a total net seigniorage, less transportation expenses, of ₱2,592,184.45.

The process of recoinng local currency is still being continued at the San Francisco mint, and it is as yet impossible to give any comprehensive statement concerning the results of the recoinage. It is safe to say, however, that in view of the relatively small amount of silver contained in the Spanish-Filipino money, and of the rates at

^aAn executive order, dated August 3, 1903, makes \$ the official designation for United States currency, pfs. for Mexican and Spanish-Filipino currency and P for the Philippines currency.

which that money has been redeemed by the government, the recoinage will involve the government in a considerable loss.

The reports so far received concerning the weight and fineness of the local currency sent to the San Francisco mint seem to show that the coins have been remarkably well preserved, as the following figures will bear witness:

Mint reports of Spanish-Filipino currency shipped for recoinage.

Character of money.	Amount.	Average discrepancy from legal fine silver content. ^a
	<i>P/s.</i>	<i>Per cent.</i>
Pesos	90,000	0.31
Do	200,000	.30
Do	500,000	.32
Half pesos	510,000	.43
Do	110,000	.25
Do	446,670	.35
Pesetas (20 cents)	90,000	1.70
Do	52,000	1.70
Media pesetas (10 cents)	4,000	3.40

^aA few old Spanish pesos were included among the Spanish-Filipino pesos (alfonsinos) shipped, and being heavier than the alfonsinos would make the discrepancy in the weight and fineness of the latter appear slightly less in the table than it actually was.

PHILIPPINES CURRENCY RECEIVED.

The new Philippine coins began to arrive in Manila from the United States mints the fore part of June, 1903, and were first placed in circulation on July 23, by means of deposits in certain Manila banks and payments for salaries and other government obligations. The total amounts of Philippines currency received from the United States up to June 30, 1904, and August 31, 1904, respectively, are given in the following table:

Philippines currency received.

Date.	Coins.				Silver certificates.
	Pesos.	Subsidiary coins.	Minor coins.	Total.	
To June 30, 1904	P 15,583,000	P 3,497,500	749,020	P 19,829,520	P 12,040,000
To August 31, 1904	17,053,000	3,497,500	792,020	21,342,520	15,030,000

PHILIPPINE GOLD-STANDARD ACT.

On October 10, 1903, the Philippine gold-standard act was passed by the Commission. This act filled in the details of the new currency system provided by Congress and created the necessary administrative machinery for its maintenance.

The act placed the new currency upon what is commonly known as the "gold-exchange standard." Its principal provisions may be summarized briefly as follows:

(1) The establishment in the insular treasury of a separate and trust fund, to be known as the "gold-standard fund," this fund to be composed of all the proceeds of the certificates of indebtedness previously referred to, of all seigniorage profits realized in the coinage of

the new currency, of all profits from the sale of exchange, and of "all other receipts in the insular treasury inuring to the insular government in the exercise of its functions of furnishing a convenient currency for the islands." The fund must be used exclusively for the maintenance of the parity of the new currency with the theoretical gold peso established by Congress as the unit of value and the expenses incident thereto, including the purchase of bullion for new coinage, its transportation, mintage, etc. The law provides that part of the fund shall be held in Manila and part in New York.

(2) "For the purpose of facilitating the more efficient discharge of the functions of the insular government with respect to the circulation of the new currency * * * and for the purpose of maintaining the parity," there was created in the bureau of the insular treasury a division known as the "division of the currency," presided over by an officer known as the "chief of the division of the currency."

(3) For the maintenance of the parity of the new currency and regulating its supply, three forms of redemption were provided in the law, the principal one being mandatory on the part of the government and the other two optional: (a) The insular treasurer was authorized and directed to sell on demand for Philippines currency or United States currency "drafts on the gold-standard fund in the United States or elsewhere * * * charging for the same a premium of three-quarters of one per cent for demand drafts and of one and one-eighth per cent for telegraphic transfers," when said Philippine currency is "offered in sums of not less than ten thousand pesos" or said United States currency "in sums of not less than five thousand dollars." The depositories of the gold-standard fund in the United States were likewise directed to sell exchange on the gold-standard fund in Manila, charging therefor the same premium rates. (b) On the approval of the secretary of finance and justice, the insular treasurer was authorized to exchange United States paper currency^a for Philippines currency and Philippines currency for United States paper currency at the rate of 2 pesos Philippines currency for \$1 United States currency. (c) On the approval of the secretary of finance and justice, the insular treasurer was authorized to exchange for Philippines currency United States gold coin or gold bars, charging a premium sufficient to cover the expenses at commercial rates of transporting United States gold coin from New York to Manila.

The premium rates charged by the government for exchange on the gold-standard fund were fixed to represent as nearly as possible the actual commercial expense of shipping gold bars between New York and Manila. All money presented to the insular treasury for redemption or for the purpose of exchange on the United States pursuant to the above provisions of the law must be immediately withdrawn from circulation and not paid out again except in response to similar counter demands or for the purchase of bullion to provide an increase in the coinage. Philippines currency presented to the insular treasury for the purchase of exchange on New York is thus as effectually withdrawn from trade channels in the Philippines as are gold coins or gold bars in the United States when shipped out of the country.

^aUnited States silver, nickel, and copper coins are not recognized in the law. Their circulation in the islands has been found undesirable on account of their liability to be counterfeited and of the fact that they are easily confused with similar Philippine coins of half the value.

SUBSIDIARY AND MINOR COINS.

During almost the entire period of the Spanish régime in the islands there were continual complaints of the scarcity of small coins in circulation. To remedy this difficulty and to assure at all times throughout the islands an ample supply of small coins, section 8 of the gold standard act declares that the treasurer of the Philippine Islands and the treasurers of the several provinces are authorized and directed to exchange Philippine pesos on demand for Philippine subsidiary and minor coins, and Philippine subsidiary and minor coins for Philippine pesos, provided the exchanges requested are for sums of 10 pesos or any multiple thereof.

GOLD STANDARD FUND.

Pursuant to section 3 of the Philippine gold standard act, all funds in the insular treasury properly belonging to the gold standard fund were duly segregated on November 1, 1903, and the total balance to the credit of the fund on that date was found to equal ₱13,240,732.39. It was decided, upon the recommendation of the chief of the division of the currency, concurred in by the insular treasurer and the insular auditor, to divide this sum by means of exchanges and transfers with other funds, on the basis of placing to the credit of the gold standard fund in Manila on November 1, 1903, \$1,250,000 and ₱2,500,000, and to the credit of the fund in the Guaranty Trust Company at New York the balance, or \$4,120,366.19. The actual division of the fund so determined upon it was found impracticable to make until May 14, 1904, on account of the difficulty of obtaining the necessary transfers with other funds in New York.

The condition of the fund at the end of each month since November 1, 1903, as shown by the records of the division of the currency, has been as follows:

Date.	Fund in Manila.		Fund in New York, United States currency.	Total fund (\$1=₱2), Philippines currency.
	United States currency.	Philippines currency.		
1903.				
November (balance Nov. 1)				₱ 13,240,732.39
November				12,889,168.25
December				13,411,538.13
1904.				
January				13,361,920.03
February				a 11,948,520.08
March				11,095,829.00
April				10,018,283.78
May	\$1,796,273.08	₱ 3,215,542.71	\$1,316,003.96	9,441,296.81
June	799,527.09	3,450,782.48	2,106,877.27	9,263,591.20
July	1,019,244.53	608,443.74	2,008,562.85	6,754,058.50
August	917,203.09	2,316,194.54	b 1,247,816.47	4,301,775.70

a The rapid decline in the total fund since February is due to heavy purchases of local currency for coinage, the proceeds of which enter the fund as soon as received.

b This debit balance in New York on August 31 was merely nominal. The proceeds of the fourth series of certificates of indebtedness were received in New York on the same day on which the second series were paid off. The apparent overdraft is due merely to the lapse of time between the issue of the warrant in Manila for the payment of the latter and the arrival in Manila of the receipt for the proceeds of the former.

The account of the gold standard fund since November 1, 1903, the date of its segregation, upon the basis of the division of the fund between Manila and New York then determined upon (although not

the new currency, of all profits from the sale of exchange, and of other receipts in the insular treasury inuring to the insular government in the exercise of its functions of furnishing a convenient currency for the islands." The fund must be used exclusively for maintenance of the parity of the new currency with the then gold peso established by Congress as the unit of value and the expense incident thereto, including the purchase of bullion for new coin, its transportation, mintage, etc. The law provides that part of the fund shall be held in Manila and part in New York.

(2) "For the purpose of facilitating the more efficient discharge of the functions of the insular government with respect to the circulation of the new currency * * * and for the purpose of maintaining the parity," there was created in the bureau of the insular treasury a division known as the "division of the currency," presided over by an officer known as the "chief of the division of the currency."

(3) For the maintenance of the parity of the new currency with the United States currency, three forms of redemption were provided by law, the principal one being mandatory on the part of the insular government and the other two optional: (a) The insular treasurer was authorized and directed to sell on demand for Philippines currency United States currency "drafts on the gold-standard fund in the United States or elsewhere * * * charging for the same three-quarters of one per cent for demand drafts and one and one-eighth per cent for telegraphic transfers," when said currency is "offered in sums of not less than ten thousand United States currency" "in sums of not less than five hundred United States dollars." The depositories of the gold-standard fund in the United States were likewise directed to sell exchange on the gold-standard fund in Manila, charging therefor the same premium as on the approval of the secretary of finance and justice. The insular treasurer was authorized to exchange United States paper currency for Philippines currency and Philippines currency for United States currency at the rate of 2 pesos Philippines currency to 1 United States currency. (c) On the approval of the secretary of justice, the insular treasurer was authorized to exchange United States gold coin or gold bars for Philippines currency sufficient to cover the expenses at commission.

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"United States currency is the value of the gold-standard fund in the United States."

The above exchange sold on the gold standard fund in New York was paid for almost entirely in Philippines currency, and the same withdrawn from circulation as provided for in section 7 of the gold standard act.

The balance of trade ever since the passage of the gold standard act has been strongly against the islands, and no exchange has been sold during this time in New York on the gold standard fund in Manila. The fund in New York was maintained, in spite of the heavy drafts made upon it, by means of transfers with the Army and Navy, and without the necessity of the government's making any shipments of money to New York for the purpose of replenishing the fund there on deposit.

II.—Philippines currency and United States currency exchanges. ^a

Fiscal year.	Sold Philip- pines currency	Bought United States cur- rency.	Bought Philip- pines currency.	Sold United States cur- rency.
1903-4.				
October (10-31).....	P389,891.90	\$194,945.95	P118,734.20	\$59,267.10
November.....	569,096.48	284,548.24	275,922.02	137,961.01
December.....	283,087.98	141,543.99	573,806.54	286,903.27
January.....	531,288.88	265,644.44	255,177.24	127,588.62
February.....	818,254.14	409,127.07	730,779.18	365,389.59
March.....	1,412,048.64	706,024.32	637,056.98	318,528.49
April.....	1,924,660.48	962,330.24	513,617.10	256,808.55
May.....	549,434.64	274,717.32	386,709.62	193,354.81
June.....	830,660.44	415,330.22	568,240.20	289,120.10
Total.....	7,308,423.58	3,654,211.79	4,090,043.08	2,045,021.54
1904-5.				
July.....	753,464.70	376,732.35	314,029.82	157,014.91
August.....	978,538.00	489,269.00	1,182,620.88	591,310.44
Total.....	1,732,002.70	866,001.35	1,496,650.70	748,325.35
Grand total ^b	9,040,426.28	4,520,213.14	5,586,693.78	2,793,246.89

^a In addition to the above exchanges, \$7,595 gold coin was sold during the year at a premium of 1.6 per cent. under the provisions of paragraph 3, section 7, act 938.

^b The greater part of these exchanges represent exchanges for the Army, Navy, and different departments of the civil government.

SILVER CERTIFICATES.

The circulation of silver certificates at the end of each month since October 6, 1903, when they were first placed in circulation, has been as follows:

Philippine silver certificates in circulation and unissued in treasury vaults at end of each month.

Fiscal year.	Two-peso certi- ficates.		Five-peso certi- ficates.		Ten-peso certi- ficates.		Total.	
	In circu- lation.	In vaults.	In circu- lation.	In vaults.	In circu- lation.	In vaults.	In circu- lation.	In vaults.
1903-4.								
October.....		P1,000,000		P2,000,000	P350,200	P3,649,800	P350,200	P6,649,800
November.....	P132,000	868,000	P175,000	1,825,000	740,360	3,259,610	1,047,360	5,952,640
December.....	212,000	788,000	285,000	1,715,000	960,400	3,039,600	1,457,400	5,542,600
January.....	302,000	698,000	360,000	1,640,000	1,160,450	2,839,550	1,822,450	4,177,550
February.....	410,000	1,590,000	535,000	3,465,000	2,210,500	1,789,500	3,155,500	6,844,500
March.....	490,000	1,510,000	670,000	3,330,000	2,860,600	1,139,400	4,020,600	5,979,400
April.....	586,000	1,414,000	770,000	3,230,000	3,310,710	689,290	4,666,710	5,333,290
May.....	708,000	1,292,000	920,000	3,080,000	3,650,000	350,000	5,278,000	4,722,000
June.....	850,000	1,390,000	1,050,000	3,550,000	4,100,000	1,100,000	6,000,000	6,040,000
1904-5.								
July.....	930,000	1,400,000	1,150,000	3,500,000	4,670,000	3,380,600	6,750,600	8,280,000
August.....	980,000	1,350,000	1,180,000	3,470,000	5,070,000	2,980,600	7,230,600	7,860,000

actually effected until some time later) may be briefly summarized as follows:

BTOR.

Items.	Manila.		New York. United States currency.
	Philippines currency.	United States currency.	
Balance Nov. 1, 1903.....	P2,500,000.00	\$1,250,000.00	\$4,120,366.19
New coin received.....	6,798,870.00		
Proof sets sold.....			4,771.50
New York exchange.....	5,967,749.80	120,000.00	
Premium on New York exchange.....	62,936.69	345.00	
Premium on sale of gold.....	193.28	26.80	
Currency exchanges.....	5,467,959.58	4,325,267.19	
Certificates of indebtedness.....			3,005,430.00
United States army exchange.....			2,044,456.11
Nickel refund.....			13,691.45
Miscellaneous.....	560.68		7,943.18
Total.....	20,798,270.03	5,695,638.99	9,226,058.43

CREDIT.

Purchase of Spanish-Filipino coin for recoinage.....	P9,824,070.48		
Purchase of silver bullion and coinage expenses.....			\$1,250,000.00
Certificate of indebtedness.....			6,000,000.00
Interest on the same.....			120,000.00
Currency exchanges.....	8,650,534.38	\$2,733,979.79	
New York exchange.....			3,103,874.90
United States army exchange.....		2,044,456.11	
Miscellaneous.....	7,470.63		
Total.....	18,482,075.49	4,778,435.90	10,473,874.90
Balance, Aug. 31.....	2,316,194.54	917,203.09	1,247,816.47
Total.....	20,798,270.03	5,695,638.99	9,226,058.43

CURRENCY EXCHANGES.

From October 10, 1903, to September 1, 1904, the following exchanges between Philippines currency and United States currency were effected:

I.—*Drafts on the gold standard fund.*

EXCHANGE SOLD IN MANILA ON THE GOLD STANDARD FUND IN NEW YORK.

Fiscal year.	Sold to banking institutions (transfers). ^a		Sold to commercial firms and individuals (transfers).		Total sold.	Premiums realized.
	Telegraph.	Demand.	Telegraph.	Demand.		
1903-4.						
October.....	\$100,000.00	\$400,000.00		\$1,500.00	\$501,500.00	\$8,272.50
November.....	50,000.00	100,000.00			150,000.00	2,625.00
December.....	300,000.00	50,000.00	\$27,000.00	18,588.66	395,588.66	8,385.87
January.....	50,000.00		10,000.00		60,000.00	1,350.00
February.....						
March.....	970,000.00		10,000.00	20,110.79	1,000,110.79	22,351.66
April.....	500,000.00	20,000.00	10,000.00	10,431.52	510,431.52	11,331.48
May.....	250,000.00	50,000.00	45,000.00	21,627.26	365,627.26	7,741.92
June.....		220,000.00	50,867.48	51,829.32	322,696.80	5,221.97
Total.....	2,220,000.00	840,000.00	152,867.48	126,087.55	3,338,955.03	67,890.40
1904-5.						
July.....		60,000.00	3,000.00	18,419.87	81,419.87	1,243.79
August.....		185,000.00			185,000.00	2,775.00
Total.....		245,000.00	3,000.00	18,419.87	266,419.87	4,018.79
Grand total.....	2,220,000.00	1,085,000.00	155,867.48	144,507.42	3,605,374.90	71,899.19

^a Under the term "banking institutions" are included two Chinese firms, each of which carries on a large business of a general character in connection with its exchange business. All the exchange sold by the Government in August, 1904, was to these two firms, and of the total exchange sold since October 10, 1903, they bought \$415,000.

The above exchange sold on the gold standard fund in New York was paid for almost entirely in Philippines currency, and the same withdrawn from circulation as provided for in section 7 of the gold standard act.

The balance of trade ever since the passage of the gold standard act has been strongly against the islands, and no exchange has been sold during this time in New York on the gold standard fund in Manila. The fund in New York was maintained, in spite of the heavy drafts made upon it, by means of transfers with the Army and Navy, and without the necessity of the government's making any shipments of money to New York for the purpose of replenishing the fund there on deposit.

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Grand total ^b.....	9,040,426.28	4,520,213.14	5,586,693.78	2,793,346.89

^a In addition to the above exchanges, \$7,395 gold coin was sold during the year at a premium of 1.6 per cent. under the provisions of paragraph 3, section 7, act 958.

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	In circu- lation.	In vaults.	In circu- lation.	In vaults.	In circu- lation.	In vaults.	In circu- lation.	In vaults.
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August.....	980,000	1,350,000	1,180,000	3,470,000	5,070,000	2,980,000	7,250,000	7,830,000

The figures show that the new Philippine silver certificates have proven remarkably popular. While it is true that in some sections of the islands there is a strong prejudice on the part of the natives in favor of metallic money, experience so far seems to justify the conclusion that, taking the islands as a whole, that prejudice is nothing like as strong as has heretofore been supposed.

WITHDRAWAL OF LOCAL CURRENCY FROM CIRCULATION.

The most serious problem presented to the Philippine government during the past year, with reference to the introduction of the new currency, was that of the withdrawal of the old currency from circulation. This currency commonly known as "local currency" consisted of (1) Mexican pesos, (2) Spanish-Filipino pesos, (3) Spanish-Filipino medio pesos and small silver coins, (4) a miscellaneous assortment of coins, consisting of old Spanish dollars, many of them dating back into the eighteenth century, subsidiary silver coins from various Chinese mints, and copper coins from nearly every country in the Orient. No reliable data was obtainable with reference to the quantity of these coins in circulation. Mexican dollars have been in circulation in the islands since early in the last century. From 1877 to August, 1898, their importation was prohibited, although during that period considerable sums were smuggled into the islands by the connivance of Spanish customs officials. The Spanish-Filipino pesos, commonly known as "alfonsinos," contained about 8 per cent less silver than the Mexican dollar. The quantity in circulation was known to be about five and one-half millions. The Spanish-Filipino medio pesos and smaller silver coins contained about 12 per cent less pure silver to the peso than the Mexican dollar. While the amount of this money coined was shown in the official Spanish records, it was impossible to obtain any reliable information with reference to the amounts exported.

On November 1, 1903, the chief of the division of the currency estimated the amount of the Spanish-Filipino subsidiary money in the islands at about 10,000,000 pesos, the estimate having been made by taking the proportion of "alfonsinos" to Spanish-Filipino subsidiary coins held by the insular treasury and four of the principal banks of Manila upon a certain day believed to be typical, and assuming that the proportion held by these institutions was fairly representative of the proportions of the two classes of coins in general circulation. The amount of "alfonsinos" in circulation being fairly accurately known, it was a simple task to estimate the amount of the subsidiary coins. An estimate of the amount of Mexican currency was made in the same manner by the chief of the division of the currency on October 22, 1903, two different dates during previous years having been taken as the basis of the estimate. All importations and exportations since those dates respectively were taken into account. The results for the two different dates closely agreed, and on the basis thereof the chief of the division of the currency estimated the total amount of Mexican currency in the islands on October 20, 1903, to have been not less than 15,000,000 pfs. This estimate was generally believed by the banking community to have been too large.

The Spanish-Filipino money was in a peculiar sense the money of the country, and the Philippine government felt itself bound to make

careful provision for its redemption. Toward the Mexican currency and other foreign coins in circulation in the islands, the government did not feel the same degree of moral obligation. As previously noted, the importation of these coins had been prohibited from 1877 to 1898, and a large proportion of those in circulation had been smuggled into the islands. The Mexican dollar, moreover, was an important article of merchandise throughout the Orient, regularly circulated at about its bullion value, and was believed to be well capable of taking care of itself.

Considerable pressure was brought to bear upon the government by the business community to induce it to redeem all the local currency in the new currency at par. Among the many arguments advanced in favor of this plan the strongest were (1) that it would greatly expedite the transition to the new currency basis, and thereby materially reduce the unsettlement of business which always characterizes such a transition period, and (2) that to the great masses of the natives who bought and sold only native produce, the new peso would not for some time possess any more purchasing power than the old, and that to compel them to exchange the old money for the new at any rate less than par would involve them in a material loss.

Despite the force of these arguments there were certain fundamental difficulties in the way of redeeming the old currency at par. The amount of this currency in the islands was unknown. Its redemption at par would have meant its redemption at a price far above its bullion value, and above the values at which it would otherwise have circulated. Later computations have shown that the premiums paid on Mexican dollars would have varied from something like 2 to 16 per cent above their bullion value, and that the net loss, inclusive of seigniorage, which the government would have suffered by redeeming the Spanish-Filipino currency at par during the year would have varied from something like 16 to 30 per cent, according to the variations in the market price of silver. Such prices would certainly have led to the smuggling of large quantities of Mexican currency into the islands, as most of the surrounding countries are fairly saturated with that money, and the Philippines have an enormous unprotected coast line. The expense involved in redeeming the old currency at par would have been an enormous burden upon the entire people, while the profits would have been realized not so much by the masses as by the smugglers, and by the wealthy classes of the population in whose hands the bulk of the local currency was believed to be held.

It was finally decided by the Commission that the circumstances did not justify the great expense which the redemption of the old currency at par would necessitate.

The Philippine coinage act of Congress provided that local currency should be legal tender in the islands until January 1, 1904, and that it should "be receivable for public dues at a rate to be fixed from time to time by the proclamation of the civil governor * * * until such date, not earlier than the first day of January, nineteen hundred and four, as may be fixed by public proclamation of said civil governor, when such coins shall cease to be so receivable." Soon after the receipt of the first new coins from the United States, the insular treasurer adopted the policy of withdrawing from circulation

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On November 1, 1903, the chief of the division of the currency estimated the amount of the Spanish-Filipino subsidiary money in the islands at about 10,000,000 pesos, the estimate having been made by taking the proportion of "alfonsinos" to Spanish-Filipino subsidiary coins held by the insular treasury and four of the principal banks of Manila upon a certain day believed to be typical, and assuming that the proportion held by these institutions was fairly representative of the proportions of the two classes of coins in general circulation. The amount of "alfonsinos" in circulation being fairly accurately known, it was a simple task to estimate the amount of the subsidiary coins. An estimate of the amount of Mexican currency was made in the same manner by the chief of the division of the currency on October 22, 1903, two different dates during previous years having been taken as the basis of the estimate. All importations and exportations since those dates respectively were taken into account. The results for the two different dates closely agreed, and on the basis thereof the chief of the division of the currency estimated the total amount of Mexican currency in the islands on October 20, 1903, to have been not less than 15,000,000 pfs. This estimate was generally believed by the banking community to have been too large.

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On November 1, 1903, the chief of the division of the currency estimated the amount of the Spanish-Filipino subsidiary money in the islands at about 10,000,000 pesos, the estimate having been made by taking the proportion of "alfonsinos" to Spanish-Filipino subsidiary coins held by the insular treasury and four of the principal banks of Manila upon a certain day believed to be typical, and assuming that the proportion held by these institutions was fairly representative of the proportions of the two classes of coins in general circulation. The amount of "alfonsinos" in circulation being fairly accurately known, it was a simple task to estimate the amount of the subsidiary coins. An estimate of the amount of Mexican currency was made in the same manner by the chief of the division of the currency on October 22, 1903, two different dates during previous years having been taken as the basis of the estimate. All importations and exportations since those dates respectively were taken into account. The results for the two different dates closely agreed, and on the basis thereof the chief of the division of the currency estimated the total amount of Mexican currency in the islands on October 20, 1903, to have been not less than 15,000,000 pfs. This estimate was generally believed by the banking community to have been too large.

The Spanish-Filipino money was in a peculiar sense the money of the country, and the Philippine government felt itself bound to make

careful provision for its redemption. Toward the Mexican currency and other foreign coins in circulation in the islands, the government did not feel the same degree of moral obligation. As previously noted, the importation of these coins had been prohibited from 1877 to 1898, and a large proportion of those in circulation had been smuggled into the islands. The Mexican dollar, moreover, was an important article of merchandise throughout the Orient, regularly circulated at about its bullion value, and was believed to be well capable of taking care of itself.

Considerable pressure was brought to bear upon the government by the business community to induce it to redeem all the local currency in the new currency at par. Among the many arguments advanced in favor of this plan the strongest were (1) that it would greatly expedite the transition to the new currency basis, and thereby materially reduce the unsettlement of business which always characterizes such a transition period, and (2) that to the great masses of the natives who bought and sold only native produce, the new peso would not for some time possess any more purchasing power than the old, and that to compel them to exchange the old money for the new at any rate less than par would involve them in a material loss.

Despite the force of these arguments there were certain fundamental difficulties in the way of redeeming the old currency at par. The amount of this currency in the islands was unknown. Its redemption at par would have meant its redemption at a price far above its bullion value, and above the values at which it would otherwise have circulated. Later computations have shown that the premiums paid on Mexican dollars would have varied from something like 2 to 16 per cent above their bullion value, and that the net loss, inclusive of seigniorage, which the government would have suffered by redeeming the Spanish-Filipino currency at par during the year would have varied from something like 16 to 30 per cent, according to the variations in the market price of silver. Such prices would certainly have led to the smuggling of large quantities of Mexican currency into the islands, as most of the surrounding countries are fairly saturated with that money, and the Philippines have an enormous unprotected coast line. The expense involved in redeeming the old currency at par would have been an enormous burden upon the entire people, while the profits would have been realized not so much by the masses as by the smugglers, and by the wealthy classes of the population in whose hands the bulk of the local currency was believed to be held.

It was finally decided by the Commission that the circumstances did not justify the great expense which the redemption of the old currency at par would necessitate.

The Philippine coinage act of Congress provided that local currency should be legal tender in the islands until January 1, 1904, and that it should "be receivable for public dues at a rate to be fixed from time to time by the proclamation of the civil governor * * * until such date, not earlier than the first day of January, nineteen hundred and four, as may be fixed by public proclamation of said civil governor, when such coins shall cease to be so receivable." Soon after the receipt of the first new coins from the United States, the insular treasurer adopted the policy of withdrawing from circulation

as far as possible all Spanish-Filipino coins received. An executive order issued by the civil governor on July 30, 1903, authorized the exchange by the insular treasurer of Philippines currency for Mexican and Spanish-Filipino currency, at the official rate of exchange, with the various provincial treasurers of the islands, directed that "all obligations or contracts for labor or materials hereafter executed shall be made payable only in Philippines currency or the legal equivalent thereof in United States currency at the option of the government," and declared that "all such obligations or contracts now existing which are payable only in Mexican or local currency will be readjusted to the new basis as soon as practicable." The order further directed that "payments from provincial funds should be made when practicable in Philippines or United States currency," and that "all Mexican or Spanish-Filipino currency not absolutely required for current use should be reserved for exchange for Philippines currency."

The reception given to the new currency by the public was at first not a hearty one. The new peso was no larger than the Mexican peso upon the basis of which prices had been adjusted for generations, and the Chinese and the natives could not see why it should be worth any more. During the period from August 1 until the end of the year a Philippine peso could be exchanged at the banks or the Chinese exchange shops at anywhere from 1 peso and 4 centavos to 1 peso and 18 centavos local currency. The great majority of merchants and shopkeepers, however, accepted the new peso simply as the equivalent of the old. It was but natural, therefore, that the old money should be preferred to the new by all persons who had money to spend in the islands. It cost less and went as far. Being the cheaper money, it tended quickly to drive the new money out of circulation, in accordance with the principles of Gresham's familiar law. Persons receiving the new money from the government promptly exchanged it at the banks or the shops of the Chinese money changers for the old currency, and thereby realized a profit of from 4 to 18 per cent. The banks and money changers in turn brought the new currency so received to the insular treasury and exchanged it for United States currency or for drafts on the gold standard fund in New York, to be shipped out of the country in settlement of the heavy unfavorable trade balance existing at the time. The Philippines currency paid into the government in this way was immediately withdrawn from circulation in accordance with the provisions of the gold-standard act. Almost as rapidly as the new currency was paid out during August, September, and October, 1903, it came back to the government through these channels.

The situation was somewhat relieved in the city of Manila by an ordinance passed by the municipal board at the suggestion of the chief of the division of the currency, requiring all merchants in the city to post conspicuously in their places of business placards stating in the English, Spanish, and Tagalog languages in what currency their prices were fixed and at what rates they received the various other currencies circulating in Manila. Over 5,000 of these placards were distributed by the government free of charge to the merchants of Manila.

From the beginning of the year 1903 until November each month had witnessed a heavy net exportation of Mexican currency from

the islands. In November the tide began to set in the other direction, and between November 1 and February 1, 1904, there was a net importation of local currency into the islands of over 600,000 pesos.^a Heavy demands were at the same time being made upon the gold-standard fund for exchange on New York,^a while the month of December, 1903, exhibited an actual decrease in the Philippines currency circulation of the islands.^b The situation at the end of the year was not encouraging.

Local currency ceased to be legal tender on December 31, 1903, and the Philippine government was from that time free to discontinue its receipt for public dues.

On December 31, 1903, the government, pursuant to an announcement made several months before, discontinued receiving Mexican currency in payment of government dues, and on January 1, 1904, the civil governor issued an order providing for the redemption of Spanish-Filipino money by the insular treasurer and the various provincial treasurers until July 1, 1904, at such official rates as should be fixed from time to time by executive order, and further directed that said currency should be receivable by the government in settlement of all government dues until October 1, 1904, after which date it was to cease to be so receivable, and thereafter to be redeemable, at the option of the government, only at its bullion value.

On January 26, 1904, the Commission passed a resolution to the effect that—

Whereas the treasurer of the Philippine Islands has made arrangements with the four banks in Manila which have government deposits whereby said banks will return to him Spanish-Filipino coins in payment of his checks upon the government deposits, irrespective of the question as to whether the deposits were made in Spanish-Filipino coins or Mexican; and

Whereas this furnishes a convenient and feasible method of converting all the local currency received by the government into Spanish-Filipino coins, which may be transmitted to San Francisco for recoinage * * *: Be it therefore

Resolved, That it is the sense of the Commission that the retirement of the Spanish-Filipino coins would be facilitated by affording means for the replacement of the Mexican pesos in the provinces by the new Philippines currency through the agency of the provincial treasurers and the disposition of the Mexican in the manner above provided, and that the civil governor be requested to authorize and direct the provincial treasurers to receive Mexican dollars in exchange for Philippines currency at the authorized rate of exchange between Spanish-Filipino coins and Philippines currency and transmit the coins so received to the insular treasurer, such order to continue in force so long as the treasurer is able to continue the arrangements that he has made with the banks for withdrawing Spanish-Filipino coins for recoinage in lieu of all deposits of local currency in the banks.

The above order was in force until July 1, 1904, when the government discontinued the redemption of Spanish-Filipino currency.

On January 14, 1904, a law was passed prohibiting the further importation of local currency into the islands, and there was placed before the public on the same day a draft of a supplementary bill which provided for the heavy taxation of transactions in local currency after a certain date. This bill in an amended form became a law on January 28, 1904. It imposed an ad valorem tax upon contracts or other written instruments payable in local currency and drawn or negotiated after September 30, 1904, and upon bank deposits of local currency held after December 31, 1904, and exacted a special license tax of all merchants doing business in local currency

^a See table on page 500.

^b See table on page 502.

after the latter date. Numerous exceptions were made in the law for the protection of persons having local-currency contracts made prior to September 30 and of persons wishing to dispose of local currency for the purpose of exportation. Bank deposits were exempted from the tax when maintained for the purpose of keeping funds to meet local-currency contracts made and properly registered prior to October 1, 1904. Careful provisions were made in the act to assure the equitable adjustment of contracts calling for payment in local currency which should mature when that currency should be no longer available.

The taxation provisions of the law do not begin to become operative until October 1, 1904, and the law does not come into full effect until January 1, 1905. The public, it was believed, were thus given ample time to "set their houses in order."

Section 12 of the above law made it the duty of the chief of the division of the currency "to prepare and have published in the principal languages and dialects of the Philippine Islands an announcement explaining the new Philippines currency and the more important laws and regulations pertaining to the use of that currency and the methods provided for the withdrawal of local currency from circulation," and to have the announcement posted and advertised as widely as possible throughout the islands. Pursuant to this provision of law a proper announcement was prepared and translated into twenty-four different languages and dialects. Nearly 100,000 copies of the announcement were posted throughout the islands, and it was extensively proclaimed by "bandillo," or town crier.

On March 23 the Commission passed a resolution authorizing the treasurer of the Philippine Islands and the various provincial treasurers to exchange Philippine copper and nickel coins for the copper coins of various countries which circulated in the Philippine Islands, "in the same manner and on the same conditions as they are at present authorized to exchange Philippines currency for Spanish-Filipino currency, said exchange to be continued up to and inclusive of June 30, 1904, and to be made at the official rate for the redemption of Spanish-Filipino currency, or at a rate as near the official rate as the redemption of said copper coins in small amounts will render possible." The resolution also authorized the establishment of exchanges in the various markets of Manila for the redemption of these local copper coins. The efforts of the government to withdraw these copper coins from circulation have so far proven practically futile, and there still continues in circulation in the small trade of the islands a vast number of these coins.

LOCAL CURRENCY EXCHANGES.

The following table shows the local currency purchased and sold by the insular treasurer each month since the passage of the gold-standard act:

Philippines currency and local currency exchanges.

Fiscal year.	Sold, Philip- pines currency.	Bought, local currency.	Bought, Philippines currency.	Sold, local currency.
1903-4.		P/s.		P/s.
October (10-31).....	P36,580.06	42,077.42	P77,764.25	89,428.90
November.....	128,057.46	147,266.00	180,380.22	207,436.78
December.....	248,651.90	285,919.70	30,405.30	35,680.53
January.....	388,979.41	488,626.52	21,464.56	24,079.45
February.....	658,085.83	737,934.40	13,076.48	14,680.10
March.....	1,401,548.27	1,544,317.45	5,652.68	6,217.94
April.....	2,772,842.21	3,051,395.66	5,628.31	6,313.50
May.....	150,762.29	146,014.38	18,001.55	20,988.84
June.....	1,720,784.39	1,897,717.77	5,351.28	5,886.40
Total.....	7,486,300.82	8,301,299.59	358,624.63	410,142.44
1904-5.				
July.....	230,222.61	255,364.60	4,229.56	4,790.70
August.....	471,433.77	521,666.30		
Total.....	701,656.38	777,030.90	4,229.56	4,790.70
Grand total.....	8,187,957.20	9,078,330.29	362,854.19	414,933.14

* In addition to the above exchanges the following exchanges of United States currency and local currency should be noted:

	Sold.	Bought.
October.....	\$300,000.00	P/s. 656,438.40
December.....	\$8,400.92	P/s. 19,322.11
Do.....	P/s. 114.43	\$49.75
January.....	\$954.14	P/s. 2,194.53
February.....	\$902.43	P/s. 1,325.36
May.....	P/s. 47,266.50	\$21,471.14

VARIATION IN THE VALUE OF THE MEXICAN DOLLAR.

The value of the Mexican dollar as bullion at the London price of silver, its value in the markets of Hongkong and Manila, and its value according to the authorized government rate for receiving local currency in the Philippines, since the passage of the gold-standard act, are given, for purposes of comparison, in the following table prepared from data furnished daily to the division of the currency by the Manila banks:

Values of Mexican dollar in terms of United States currency.

Fiscal year.	I.—London price of bar silver.		II.—Sterling exchange in Manila (telegraph transfers).		III.—Sterling exchange in Hong- kong* (telegraph transfers).	
	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.
1903-4.						
July.....						
August.....						
September.....						
October.....	\$0.493	\$0.471	\$0.451	\$0.427	\$0.457	\$0.419
November.....	.478	.455	.449	.427	.448	.423
December.....	.457	.431	.433	.413	.418	.413
January.....	.471	.441	.463	.438	.461	.423
February.....	.475	.442	.474	.451	.471	.441
March.....	.460	.442	.457	.446	.457	.435
April.....	.433	.420	.467	.437	.441	.418
May.....	.446	.431	.476	.457	.441	.431
June.....	.450	.427	.472	.446	.448	.437
1904-5.						
July.....	.465	.450	.450	.448	.455	.446
August.....	.465	.450	.452	.448	.450	.457

* Exchange rates in Hongkong are in terms of the British dollar, Mexican dollars there generally being at a slight premium.

Values of Mexican dollar in terms of United States currency—Continued.

Fiscal year.	IV.—Buying price of local currency at Manila banks.		V.—Philippine government official rate.		
	Highest.	Lowest.	Date on which rate became effective.	Rate in terms of selling price of United States dollar.	Rate in terms of buying price of local peso.
1903-4.				<i>P/s.</i>	
July.....			May 14, 1903	2.45	\$0.408
August.....			July 18, 1903	2.38	.420
September.....			Aug. 1, 1903	2.30	.435
October.....	\$0.461	\$0.452			
November.....	.455	.453			
December.....	.442	.418			
January.....	.471	.449	Jan. 1, 1904	2.20	.454
February.....	.476	.455	Jan. 25, 1904	2.24	.446
March.....	.465	.450			
April.....	.469	.444	Apr. 12, 1904	2.26	.442
May.....	.478	.471	May 23, 1904	2.20	.454
June.....	.474	.448			
1904-5.					
July.....	.452	.452	July 1, 1904	2.26	.442
August.....	.463	.452	Aug. 1, 1904	2.20	.454

In view of the fact that the market price of silver and the local bank rate of exchange varies almost daily, while notice of every change in the official rate must be telegraphed to all the provinces, and by the provincial treasurers sent to all the municipal treasurers of the islands, thus necessitating the loss of considerable time before the new rate can become effective, and requires a considerable amount of extra work on the part of those who handle government money, and keep and audit government accounts, it is obviously impracticable for the government to change its official rate except in the case of material alterations in the local market rate, which give prospects of persisting for a reasonable length of time.

LOCAL-CURRENCY SHIPMENTS.

The progress of the process of eliminating local currency from the circulation of the islands may be seen from the following table:

Fiscal year.	Commercial.		Governmental.	
	Imports.	Exports.	Imports.	Exports.
1903-4.	<i>P/s.</i>	<i>P/s.</i>	<i>P/s.</i>	<i>P/s.</i>
July.....	22,100	2,930,000		
August.....	697,978	1,730,700		
September.....	71,059	1,530,500		
October.....	5,670	1,505,700		
November.....	367,270	358,600		800,000
December.....	279,626	363,480		400,000
January.....	725,000	44,000		
February.....		567,500		1,556,000
March.....		275,000		1,090,000
April.....		2,100		1,230,000
May.....				1,810,000
June.....		55,770		1,000,000
Total.....	2,168,703	9,363,350		7,686,000
1904-5.				
July.....		837,100		1,102,000
August.....		10,000		430,000
Total.....		847,100		1,532,000
Grand total.....	2,168,703	10,210,450		9,218,000

The exportations made by the government all refer to shipments of Spanish-Filipino money to San Francisco for recoinage. From January 1, 1903, to June 30 there was a net commercial exportation of Mexican currency from the islands amounting to approximately eight and a half million dollars. On August 31, 1904, the insular treasurer held 933,395.06 pfs. in the treasury vaults, and 853,582.87 pfs. on deposit in the Manila banks, for the shipment of which to San Francisco for recoinage preparations were being made as rapidly as possible.

UNITED STATES CURRENCY SHIPMENTS.

Throughout the year there have been heavy exportations of United States currency from the islands. The custom-house authorities reported net exportations of United States currency from October 10, 1903, to August 31, 1904, of over \$2,250,000. These figures, however, give no adequate idea of the United States currency shipments to and from the islands, inasmuch as importations of United States currency by the military authorities are not included in the custom-house returns; and further, that the principal method of shipping United States currency from the islands is by registered mail, and complete data concerning the amounts so shipped are obviously unavailable. From the evidence available it is safe to say that the amount shipped by registered mail during the fiscal year 1903-4 considerably exceeded that shipped by express and included in the custom-house returns given above.

PHILIPPINES CURRENCY CIRCULATION.

The total circulation of Philippines currency in the islands at the end of each month since November 1, 1903, as estimated by the chief of the division of the currency, is given in the following table.

On account of inadequate vault room in the insular treasury the government has often found it necessary to make larger deposits of the new currency in local banks than would probably otherwise have been thought desirable. As a result it has frequently happened that the local banks which act as depositories of government funds have had on hand Philippines currency considerably in excess of the amounts necessary to meet trade demands. It is generally considered here that a reserve representing one-third of a bank's demand liabilities is ample to meet all probable demands. In estimating the Philippines currency circulation at the end of each month the chief of the division of the currency has considered as in circulation all money outside the treasury vaults, except that held by depository banks in Manila in excess of one-third of their Philippines currency demand liabilities.

Fiscal year.	Amount in circulation.	Increase or decrease.
1903-4.		
November.....	P3,993,058	— P82,665
December.....	3,910,393	+1,573,902
January.....	5,484,295	+749,332
February.....	6,233,827	+1,168,541
March.....	7,402,368	— 683,569
April.....	6,718,599	+1,507,315
May.....	8,226,114	+831,013
June.....	9,057,127	
1904-5.		
July.....	10,481,955	+1,424,828
August.....	12,362,617	+1,880,662

THE NEED OF LARGER DENOMINATION SILVER CERTIFICATES.

The chief of the division of the currency wishes again to call your attention to the need of some Congressional action of the kind called for in section 12, of Senate bill 5328, Fifty-eighth Congress, authorizing the issue of silver certificates of larger denominations.

Section 8 of the Philippine coinage act of Congress authorizes the issue of silver certificates "in denominations of not less than two nor more than ten pesos." This limitation of the size of the certificates to 10 pesos has proven a great inconvenience to the trade of the islands, and is a source of frequent complaint on the part of the business community. The export business of the islands, especially the hemp, tobacco, and sugar business, involves many large transactions. The banking business of the islands represents principally large transactions, while small accounts and other small banking transactions are here insignificant as compared with what they are in the United States. The three large exchange banks of the Philippines, for example, are averse to opening or maintaining credit deposits for a less sum than P500. Cash, moreover, as contrasted with checks, is used much more extensively in the large business of the Philippines than it is at home. A reference to the table of silver certificates in circulation on August 31, 1904 (p. 493), shows that of a total circulation of P7,230,000, P5,070,000, or 70 per cent, were certificates of the denomination of 10 pesos.

At the time the limitation of the size of the certificates to 10 pesos was made by Congress it was generally supposed that the introduction of United States currency of the larger denominations would supply the need for money of larger denominations in the circulation of the islands. Experience, however, has failed to bear out this supposition. The balance of trade with gold-standard countries has been strongly against the islands throughout the year, and bids fair to continue so for some time to come. About the cheapest method the banks have been able to employ during the year of meeting an unfavorable trade balance with England and the United States has been the exportation of United States paper currency of large denominations, whenever they could find that currency available. A reference to the figures for United States currency shipments given on page 501 will show how rapidly this money has been drained from the islands during the past year, and to what extent the business of the islands will be at the mercy of exchange fluctuations for its

money of the larger denominations if it is compelled to depend upon United States currency to supply that need. Gold coin will not at present circulate in the islands. In spite of the fact that many million dollars in gold coin have been placed in circulation here by the military authorities since the American occupation, it is very seldom that one sees a gold coin in circulation to-day. The gold paid out has either been melted down, hoarded, or shipped to China and other neighboring countries for similar purposes. It should also be added that section 13 of the Philippine coinage act of Congress denies to United States paper currency the quality of legal tender in the islands, and that the difference in the units of value of United States currency and Philippines currency render the use of the two side by side a source of confusion in effecting and recording business transactions.

All of which is respectfully submitted.

E. W. KEMMERER,

Chief of the Division of the Currency.

THE TREASURER OF THE PHILIPPINE ISLANDS,
Manila, P. I.

EXHIBIT 7.

REPORT OF THE COLLECTOR OF CUSTOMS FOR THE PHILIPPINE ISLANDS.

THIRD SPECIAL REPORT.

SIR: The second report of this office covered the period from September 1, 1902, to October 8, 1903. The narrative portion of this report will cover the period from October 8, 1903, to September 1, 1904; the financial statements and general statistical data will cover the entire period of American occupation of these islands by fiscal or calendar years, as stated in each case, so far as the data itself extends.

A number of regulations have been provided during the past year, among them being rules for licensing and governing of customs brokers, for a complete set of coastwise statistical reports, and for signal letters, official numbers of vessels in the coastwise trade, and governing the treatment of articles imported into the Philippine Islands through the mails.

On December 16 the Philippine Commission passed Act No. 1025, amending Act No. 780, authorizing the board on Philippine marine examinations therein created to recognize the licenses issued by the Spanish Government and to grant licenses thereon without written examination. Act No. 1025 also provided for the renewal of licenses already granted.

By Act No. 1026 of the Philippine Commission, passed December 16, 1903, the annual tonnage tax upon cascoes and other vessels not decked over and not propelled by their own steam, sail, or other similar motive power, and constructed in the Philippine Islands, was reduced to 1 peso, Philippine currency, per gross ton, section 135 of the Philippine customs administrative act being amended accordingly.

On January 12, 1904, the Philippine Commission passed Act No. 1037, authorizing merchants and others in the Philippine Islands to export for a limited period food products which had paid duty, and in lieu thereof to import like food products, for a limited period, without the payment of customs duty. This action was taken to meet certain special commercial conditions here arising from the declaration of war between Russia and Japan. The act expired on the 1st day of May, 1904.

Act No. 1066 of the Philippine Commission, passed on February 26, 1904, exempts steam vessels of less than 100 tons burden, and sailing

vessels of less than 150 tons burden, from the requirements of Act No. 780 as to carrying licensed officers, provided, however, that all vessels propelled wholly or in part by steam shall be compelled to carry and employ the licensed engineer or engineers provided in said Act No. 780.

On May 10, 1904, the Philippine Commission, by Act No. 1149, amended section 26 of the Philippine customs administrative act by providing that whenever in the opinion of the civil governor any public wharf, landing place, street, or land is necessary or desirable in loading and unloading ships, or for any proper customs purpose at any port of entry, he is given power and authority, by executive order, to declare that such wharf, landing place, street, or land shall be under the exclusive control and jurisdiction of the collector of customs at the port of entry, provided that the exercise of such jurisdiction shall in no wise affect the general police powers of the municipality in which the said wharf or other landing is situated.

On May 19, 1904, by Act No. 1160, the Philippine Commission authorized the insular collector of customs to clear foreign vessels for the port of Isabela de Basilan under proper regulations.

On June 20, 1904, the civil governor promulgated an act of Congress, approved April 15, 1904, entitled "An act to regulate the shipping and trade between ports of the United States and ports or places in the Philippine Archipelago, between ports or places in the Philippine Archipelago, and for other purposes."

The important sections of that act are as follows:

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That on and after July first, nineteen hundred and six, no merchandise, except supplies for the Army or Navy, shall be transported by sea, under penalty of forfeiture thereof, between ports of the United States and ports or places in the Philippine Archipelago, directly or via a foreign port, or for any part of the voyage, in any other vessel than a vessel of the United States. But this section shall not be construed to prohibit the sailing of any foreign vessel between any port of the United States and any port or place in the Philippine Archipelago: *Provided,* That no merchandise other than that imported in such vessel from some foreign port which has been specified on the manifest as for another port, and which shall not have been unloaded, shall be carried between a port of the United States and a port or place in the Philippine Archipelago.

SEC. 2. That on and after July first, nineteen hundred and six, no foreign vessel shall transport passengers between ports of the United States and ports or places in the Philippine Archipelago, either directly or by way of a foreign port, under penalty of two hundred dollars for each passenger so transported and landed.

SEC. 3. That sections one and two of this Act shall not apply to the transportation of merchandise or passengers between ports or places in the Philippine Archipelago. Until Congress shall have authorized the registry as vessels of the United States of vessels owned in the Philippine Archipelago, the Government of the Philippine Islands is hereby authorized to adopt, from time to time, and enforce regulations governing the transportation of merchandise and passengers between ports or places in the Philippine Archipelago.

* * * * *

SEC. 6. That on and after the passage of this act the same tonnage taxes shall be levied, collected, and paid upon all foreign vessels coming into the United States from the Philippine Archipelago which are required by law to be levied, collected, and paid upon vessels coming into the United States from foreign countries: *Provided, however,* That until July first, nineteen hundred and six, the provisions of law restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from one port of the United States to another port of the United States shall not be applicable to foreign vessels engaging in trade between the Philippine Archipelago and the United States: *And provided further,* That the Philippine Commission shall be authorized and empowered to issue licenses to engage in lighterage or other exclusively harbor business to vessels or other craft built in the Philippine Islands or in the United States and owned by citizens of the United States or by inhabitants of the Philippine islands.

* * * * *

SEC. 8. That the Secretary of Commerce and Labor shall, from time to time, issue regulations for the enforcement of this act, except as otherwise provided in section three: *Provided*, That such of the navigation laws of the United States as are in force in the Philippine Archipelago in regard to vessels arriving in the Philippine Islands from the mainland territory and other insular possessions of the United States shall continue to be administered by the proper officials of the government of the Philippine Islands.

* * * * *

PORT OF MANILA.

The general business of the port of Manila has shown a decrease during the past year. Starting with the month of November, 1903, the receipts of the custom-house have fallen off to a marked degree from those of the corresponding months of the preceding year. This has been due to a variety of causes, most of which, however, are fortunately known to be but temporary in their nature. Among these latter may be mentioned the change of currency (which has now been entirely effected), the internal-revenue law (which has caused a certain amount of conservatism among local industries pending the practical demonstration of its workings), and the indirect but doubtless tangible effect of an election year in the United States. These items, together with the general derangement of all commercial enterprises, especially those dependent upon foreign trade consequent upon a state of war in the vicinity, have doubtless had their effect upon the commercial situation in the Philippines.

By far the greatest factor in the present industrial depression, however, is the decreased purchasing power of the people as a result of agricultural misfortunes and lack of draft animals. This condition is at once felt in the customs revenues, which may, in fact, be regarded as a fairly accurate barometer of business conditions in the islands.

The general impression prevails that a substantial increase in the rice crop, year by year, would greatly tend to improve general business conditions in the islands. Where it is necessary for the people to spend millions of dollars each year for importing one of the absolute necessities of life, which could well be produced in the islands under normal circumstances, their power to purchase the articles on which general business largely depends must suffer in proportion.

MANILA HARBOR WORK.

The harbor works at Manila, as originally planned, are nearing completion, and the construction of an additional breakwater, stretching out from the shore of Pasay and making an absolutely land-locked bay for shipping, has already been commenced.

During the past year all vessels have been discharged under the "running-check" system, with generally satisfactory results.

HARBOR LAUNCHES.

The following tables show the actual entire expense of operating the customs harbor launches at this port during the past two fiscal years, including salaries and wages, coal, engine room, and other supplies, and extensive repairs and alterations:

Expenses of operating customs harbor launches.

FISCAL YEAR 1903.

Name of launch.	Salaries.	Coal and supplies.	Repairs, alterations, etc.	Total.
For six months ending Dec. 31, 1902:				
Harbor No. 1.....	\$4.86	\$448.03	\$24.39	\$477.28
Harbor No. 2.....	866.67	611.74	357.90	1,816.31
Harbor No. 3.....	821.02	641.49	585.60	2,048.11
Harbor No. 4.....	858.54	568.24	106.00	1,532.78
Harbor No. 6.....	851.91	432.19	309.12	1,593.22
Harbor No. 8.....	461.64	80.75	192.46	734.85
Harbor No. 9.....		63.76		63.76
Harbor Skimmer.....		69.80	28.31	98.11
Total.....	3,864.64	2,916.00	1,583.78	8,364.42
For six months ending June 30, 1903:				
Harbor No. 1.....	946.72	568.02	2,650.00	4,164.74
Harbor No. 2.....	859.98	611.73	505.00	1,976.71
Harbor No. 3.....	859.98	641.49	87.00	1,588.47
Harbor No. 4.....	859.98	559.10	57.25	1,476.33
Harbor No. 6.....	859.98	432.19	97.87	1,390.04
Harbor No. 8.....	545.02	80.76	394.13	1,019.91
Harbor No. 9.....	76.67	63.76	833.20	973.63
Harbor Skimmer.....	125.00	89.56		214.56
Total.....	5,133.33	3,046.61	4,624.45	12,804.39
Grand total.....	8,997.97	5,962.61	6,208.23	21,168.81

FISCAL YEAR 1904.

For six months ending Dec. 31, 1903:				
Harbor No. 1.....	\$1,114.31	\$736.05	\$8.35	\$1,858.71
Harbor No. 2.....	861.86	427.55	861.93	2,151.34
Harbor No. 3.....	858.64	510.39	1,396.62	2,765.65
Harbor No. 4.....	859.98	569.41	6.05	1,435.44
Harbor No. 6.....	859.98	248.89	6.61	1,115.48
Harbor No. 8.....	518.86	91.42	35.92	646.20
Harbor No. 9.....	459.42	95.26	298.68	853.36
Harbor Skimmer.....	150.00			150.00
Total.....	5,683.05	2,678.97	2,614.16	10,976.18
For six months ending June 30, 1904:				
Harbor No. 1.....	1,126.32	736.80	43.28	1,906.40
Harbor No. 2.....	838.65	427.55	726.41	1,992.61
Harbor No. 3.....	841.99	510.38	362.49	1,714.86
Harbor No. 4.....	859.99	569.42	2,048.45	3,477.86
Harbor No. 5.....	560.26	8,226.74	201.67	8,988.67
Harbor No. 6.....	793.88	248.89	699.46	1,742.23
Harbor No. 8.....	519.99	93.91	223.02	836.92
Harbor No. 9.....	458.88	95.26	147.75	701.89
Harbor Skimmer.....	150.00	825.00	1.75	976.75
Total.....	6,147.96	11,733.95	4,454.28	22,336.19
Grand total.....	11,833.01	14,412.92	7,068.44	33,314.37

RECAPITULATION.

Fiscal year—				
1903.....	\$8,997.97	\$5,962.61	\$6,208.23	\$21,168.81
1904.....	11,833.01	14,412.92	7,068.44	33,314.37
Total.....	20,830.98	20,375.53	13,276.67	54,483.18

NOTE.—These tables do not agree with the items of expense of launches in the financial reports of this bureau, since such items as coal and other supplies included herein are obtained from the insular purchasing agent on requisition and do not appear therefore in the purely fiscal records as a disbursement of this bureau.

From the above it will be seen that the "average" cost of operating one of the Manila Harbor launches during the last two fiscal years was about \$3,400 United States money per year, although these launches

vary so in size that this is not, strictly speaking, an average, and does not represent the cost of operating any particular launch.

These launches are daily subjected to most severe usage, they being compelled to go alongside large vessels in all kinds of weather and to be hammered and rammed by a miscellaneous collection of lighters, cascoes, and other launches.

PORTS OF ILOILO AND CEBU.

The trade at both of these ports showed a decided decline during the last fiscal year, the gross customs receipts at Cebu being \$194,669.06 and at Iloilo \$98,033.97 less than those of the fiscal year of 1902-3, respectively.

PORTS OF JOLO AND ZAMBOANGA.

The customs receipts at the port of Jolo show a slight increase, amounting to \$1,810.48 during the fiscal year 1904, over the receipts for the previous fiscal year, and this is the only entry port of which that can be said.

At the port of Zamboanga there has been the usual falling off, due to the commercial depression throughout the islands and to certain local conditions, such as the reduced yield of copra as a result of the long drought in the latter part of 1903, and the fall in the selling price of gutta-percha.

PORTS OF BONGAO, BALABAC (CAPE MELVILLE), AND PUERTO PRINCESA.

The receipts at these ports have been inconsiderable, though they were not created with the expectation that the general revenues would be substantially increased thereby for some time to come.

On February 25, 1904, the entry port of Cape Melville was changed to Balabac, in the island of the same name.

On July 30, 1904, this office, under the authority of section 5 of Act No. 898 of the Philippine Commission, published notice that the port of Puerto Princesa would be closed for foreign business on October 15, 1904. This step was taken as a measure of economy during the present business depression.

COLLECTION DISTRICTS.

The collection districts which will go into effect on October 15, 1904, after the reorganization of the coast district inspection service is accomplished, will be as follows:

First. The district of Manila, comprising the islands of Luzon, Marinduque, the north coast of the island of Mindoro, extending from Point Calavite to Point Dumali; the northeast coast of the island of Masbate, extending from Point Bugui to and including the port of Alegria; the island of Ticao, and all other islands in the geographical district covering the islands named, in which Manila shall be the port of entry.

Second. The district of Iloilo, comprising the islands of Panay, Tablas, Romblon; the province of Occidental Negros; the southwest coast of the island of Masbate, from Point Bugui to the port of

Alegria; the east and west coasts of the island of Mindoro, from Point Dumali to Point Calavite; and all the other islands in the geographical district covering the same, in which Iloilo shall be the port of entry.

Third. The district of Cebu, comprising the islands of Cebu, Bohol, Samar, Leyte, Dinagat; the coast line of the provinces of Misamis and Surigao, from Point Balato on the north coast to Point Tambog on the east coast of the island of Mindanao; the province of Oriental Negros, and all the islands in the geographical district covering the same, in which Cebu shall be the port of entry.

Fourth. The district of Zamboanga, comprising the southeastern, southern, and western coast line of the island of Mindanao, from Point Tambog on the east coast, near the eighth parallel of north latitude, to Point Balato on the north coast; the island of Basilan; and all other islands contiguous thereto; in which Zamboanga shall be the port of entry.

Fifth. The district of Jolo, comprising the islands of Jolo, Siasi; in which Jolo shall be the port of entry.

Sixth. The district of Balabac, comprising the islands of Balabac, Paragua, Dumuran, Cuyo, and all other islands adjacent thereto; the Calamianes Islands, and all other islands in the geographical district covering the islands named, in which Balabac shall be the port of entry.

Seventh. The district of Bongao, comprising the islands of Bongao, Tawi-Tawi, Sibutu, Sangasanga, Cagayan de Jolo, and all other small islands adjacent thereto, known as the Tawi-Tawi Islands, in which Bongao shall be the port of entry.

COAST DISTRICT INSPECTION SERVICE.

Due to the necessity of exercising extreme economy in all branches of the customs service during the present fiscal year, as a result of greatly decreased appropriations, the coast district inspection service has been entirely reorganized, the force reduced by nearly one-half, and the division of the coast line of the archipelago into coast inspection districts has been abolished.

After October 1, 1904, the work will be done, as far as practicable, by one or more inspectors and one deputy inspector in each collection district, under the direct supervision of the collector of customs of the district. A customs cutter will be assigned to each district, with headquarters at the entry port.

The deputy inspector will be permanently located at some central and convenient port within the collection district, but away from the entry port, to assist in the issuance of licenses, admeasurement, and general inspection work.

One inspector will be in charge of each customs cutter, and will make regular tours of each collection district for the purpose of supervising local inspectors, making collections of fees and stamp accounts, and making the disbursements of the district outside of the entry port.

It is hoped that this plan will prove a reasonable success, though the territory to be covered is out of all proportion to the available force and equipment.

The following table shows the receipts and expenditures in all inspection districts during the past fiscal year:

District.	Receipts.	Expenditures.	Excess of receipts.	Excess of expenditures.
Aparri.....	\$4,131.44	\$2,302.43	\$1,829.01	
Batangas.....	2,833.97	3,983.31		\$149.34
Capiz.....	1,950.65	2,972.80		1,022.25
Catbalogan.....	4,025.10	2,732.87	1,292.23	
Cuyo.....	1,040.80	1,388.68		347.88
Cotabato.....	445.11	1,941.51		1,496.40
Davao.....	608.62	774.35		165.72
Dumaguete.....	4,085.94	5,058.02		962.08
Subic.....	1,175.47	2,150.52		975.15
Legaspi.....	4,306.77	4,426.43	119.66	
Romblon.....	787.36	1,318.68		561.32
San Fernando.....	6,231.17	4,706.34	1,524.83	
San José.....	1,267.24	1,708.94		44.70
Sorsogon.....	4,205.19	3,185.98	1,019.21	
Surigao.....	3,787.02	2,589.04	1,197.98	
Siasi.....	25.30	1,962.37		1,937.07
Tacloban.....	7,433.55	5,590.13	1,843.42	
Total.....	49,350.70	48,822.50	8,826.34	7,661.91

It will be noted that in several of the districts the expenditures exceeded the direct receipts, but the coast inspection service is not maintained for revenue purposes, but for protection against smuggling and to prevent violations of the other laws with the enforcement of which this office is charged.

CUSTOMS CUTTERS.

The six cutters belonging to this service have all been in constant operation during the past year, and, though insufficient in number and equipment for the best results, they have maintained a fairly effective patrol of the different collection districts. Two of these cutters have been continuously assigned to the waters of the southern islands and the coast of the island of Paragua, where good work has been done in breaking up smuggling from Borneo and adjacent coasts.

One or two sharp encounters have occurred between customs officers and some armed Moros, but the offenders have been punished in each instance, with the assistance of the military under Major-General Wood.

Each customs cutter is armed with a 1-pounder rapid-fire rifle.

The following table shows their cost, dimensions, and speed:

Cutter.	Cost. ^a	Length over all.	Beam.	Draft.	Horse-power.	Speed.
		<i>Ft. in.</i>	<i>Ft. in.</i>	<i>Ft. in.</i>		<i>Knots.</i>
Skua.....	\$14,500	83 5	14 14	7 0	15.20	9
Sora.....	15,000	86 0	13 8	7 7	16.46	9
Sula.....	18,000	93 14	14 84	6 11	17.86	8½
Scoter.....	26,000	91 6	14 9	8 0	17.86	7
Seagull.....	30,000	87 54	14 3	8 6	15.15	7
Sanderling (by transfer).....		84 10½	14 0	8 5	16.80	7

^a Mexican currency.

Each of these cutters has a total coal capacity of about 16 tons and a water capacity in tanks of 7 tons; their steaming radius varies from 1,000 to 1,250 miles. The figures given in the above column under the head of "speed" show the ordinary speed of the cutters when in average condition. Under pressure this speed can be somewhat increased.

On October 9, 1903, by customs administrative circular No. 243, this office adopted a customs ensign of the following design:

The ensign shall be of woolen bunting, of rectangular form, with 13 gold stars in the upper left hand quarter, grouped around a gold American eagle, upon a white field, with 13 horizontal stripes alternating blue and white, commencing with blue stripe.

A corresponding shield of the following design was adopted for use on customs cutters:

Thirteen gold stars grouped around a gold American eagle, upon a white field, with 13 horizontal stripes alternating blue and white, commencing under the white field with blue stripe.

The following tables show the actual entire expense of operating the customs cutters during the past two fiscal years, including salaries and wages, coal, engine room, and other supplies, and extensive repairs and alterations:

Expenses of operating customs cutters.

FISCAL YEAR 1903.

Name of cutter.	Salaries.	Coal and supplies.	Repairs, alterations, etc.	Total.
For six months ending Dec. 31, 1902:				
Cutter Sula.....	\$2,794.77	\$1,005.36	\$1,226.10	\$5,026.23
Cutter Sanderling.....	2,615.84	823.93	1,859.77	5,299.54
Cutter Skua.....	1,669.01	818.77	1,316.06	3,833.84
Cutter Sora.....	814.28	913.90	165.04	1,893.22
Cutter Seagull.....	2,526.93	800.30	57.60	3,384.83
Cutter Scoter.....	1,660.89	930.70	76.80	2,668.33
Total.....	12,081.72	5,292.96	4,731.37	22,106.05
For six months ending June 30, 1903:				
Cutter Sula.....	2,773.64	1,038.96	1,730.75	5,543.35
Cutter Sanderling.....	2,745.14	998.20	2,668.53	6,411.87
Cutter Skua.....	3,308.69	692.52	37.90	4,039.11
Cutter Sora.....	3,083.49	933.73	12.77	4,029.99
Cutter Seagull.....	3,081.15	1,142.04	4,616.87	8,810.06
Cutter Scoter.....	2,589.57	792.65	1,835.28	5,277.50
Total.....	17,581.68	5,598.10	10,962.10	34,141.88
Grand total.....	29,663.40	10,891.06	15,693.47	56,247.93

FISCAL YEAR 1904.

For six months ending Dec. 31, 1903:				
Cutter Sula.....	\$2,710.33	\$1,168.25	\$1,013.72	\$4,892.50
Cutter Sanderling.....	1,991.33	1,083.75	.....	3,075.08
Cutter Skua.....	1,678.52	712.38	1,882.15	4,303.25
Cutter Sora.....	1,792.09	677.79	2,092.85	4,562.73
Cutter Seagull.....	2,157.06	1,114.14	189.13	3,460.33
Cutter Scoter.....	2,157.80	1,363.61	154.47	3,675.91
Total.....	12,487.33	6,179.95	5,332.62	23,999.90
For six months ending June 30, 1904:				
Cutter Sula.....	3,178.71	1,192.15	2,571.28	6,942.17
Cutter Sanderling.....	2,285.96	968.25	113.68	3,367.89
Cutter Skua.....	2,619.56	739.76	1,635.29	4,994.61
Cutter Sora.....	2,753.91	528.17	784.70	4,065.81
Cutter Seagull.....	2,236.91	1,113.72	.....	3,380.63
Cutter Scoter.....	3,082.39	1,438.11	6,338.41	10,858.91
Total.....	16,157.50	6,010.19	11,442.36	33,610.05
Grand total.....	28,644.83	12,190.14	16,771.98	57,606.95

RECAPITULATION.

Fiscal year—				
1903.....	\$29,663.40	\$10,981.06	\$15,693.47	\$56,247.92
1904.....	28,644.83	12,190.14	16,771.98	57,606.95
Total.....	58,308.23	23,081.20	32,468.45	113,857.88

Thus, the average cost per year of operating each one of the six Philippine customs cutters was about \$9,490 United States money, or \$790 per month.

The statements made as to the hard usage to which the harbor launches at Manila are subjected are equally true of the customs cutters, which often encounter weather which would drive the largest steamers to seek shelter.

COASTWISE PORTS.

On September 1, 1904, there were 177 open coastwise ports and sub-ports in the Philippine Islands, a decrease of 25 ports.

This decrease in the number of ports open to trade on the corresponding date of last year is due to the commercial depression hereinbefore discussed.

The following is a complete alphabetically arranged list of the ports open on September 1, 1904, together with the dates of their opening:

Name.	Island.	Date of opening.
A.		
Agno.....	Luzon.....	Nov. 8, 1900
Aliminos.....	do.....	Dec. 5, 1903
Algrin.....	Cebu.....	Jan. 28, 1902
Aparril.....	Luzon.....	Jan. 1, 1900
Araceli.....	Dumaran.....	Aug. 1, 1902
Argao.....	Cebu.....	Nov. 1, 1900
Aroroy.....	Masbate.....	Jan. 26, 1903
Atimonan.....	Luzon.....	June 10, 1900
B.		
Baclayon.....	Bohol.....	Apr. 3, 1903
Bacolod.....	Negros.....	Nov. 26, 1900
Baganga.....	Mindanao.....	May 28, 1901
Bais.....	Negros.....	June 25, 1902
Balamban.....	Cebu.....	Mar. 13, 1900
Bahayan.....	Luzon.....	June 1, 1900
Baler.....	do.....	July 1, 1902
Bantayan.....	Bantayan.....	Apr. 25, 1902
Barili.....	Cebu.....	Jan. 28, 1902
Batangas.....	Luzon.....	Feb. 1, 1900
Bato.....	Catanduanes.....	Dec. 5, 1902
Bato.....	Leyte.....	Oct. 28, 1903
Bauan.....	Luzon.....	Feb. 26, 1903
Baybay.....	Leyte.....	Feb. 22, 1900
Binalbagan.....	Negros.....	Apr. 25, 1903
Boac.....	Marinduque.....	May 16, 1901
Bogo.....	Cebu.....	June 1, 1900
Bolinao.....	Luzon.....	Apr. 7, 1900
Borongan.....	Samar.....	Sept. 27, 1902
Bulan.....	Luzon.....	Jan. 30, 1900
Bulusan.....	do.....	Jan. 16, 1902
Butuan.....	Mindanao.....	Apr. 6, 1901
C.		
Cabilian.....	Leyte.....	Aug. 2, 1901
Cadiz Nuevo.....	Negros.....	Sept. 2, 1902
Cagayan.....	Mindanao.....	Apr. 3, 1900
Cagayanillo.....	Cagayan.....	Apr. 21, 1903
Calapan.....	Biliran.....	Nov. 25, 1902
Calbayog.....	Mindoro.....	May 30, 1902
Candon.....	Samar.....	do.....
Canouan.....	Luzon.....	Dec. 20, 1900
Capiz.....	Siquijor.....	Oct. 17, 1902
Caraga.....	Panay.....	Jan. 15, 1900
Caraga.....	Mindanao.....	Jan. 1, 1900
Caramoran.....	Luzon.....	Dec. 29, 1902
Carangian.....	Samar.....	Nov. 20, 1902
Carcar.....	Cebu.....	Feb. 4, 1900
Carigara.....	Leyte.....	Mar. 5, 1900
Casiguran.....	Luzon.....	Jan. 16, 1902
Catangan.....	Masbate.....	Jan. 26, 1903
Catanduan.....	Luzon.....	Nov. 19, 1901
Catarman.....	Samar.....	Nov. 20, 1902
Catbalogan.....	do.....	May 30, 1902

Name.	Island.	Date of opening.
Catubig.....	Samar.....	Dec. 16, 1902
Cordoba.....	Maetan.....	Jan. 13, 1903
Coron.....	Busuanga.....	Aug. 19, 1902
Cotabato.....	Mindanao.....	Jan. 2, 1900
Cullion.....	Calamianes.....	June 9, 1901
Currimao.....	Luzon.....	Oct. 17, 1900
Cuyo.....	Cuyo.....	June 9, 1901
D.		
Dact.....	Luzon.....	Apr. 10, 1900
Dagupan.....	do.....	Jan. 1, 1900
Danao.....	Cebu.....	Mar. 13, 1900
Danao.....	Negros.....	Sept. 2, 1902
Dapitan.....	Mindanao.....	Apr. 3, 1900
Dasol.....	Luzon.....	Jan. 22, 1903
Davao.....	Mindanao.....	Jan. 12, 1900
Donsol.....	Luzon.....	Jan. 30, 1900
Dulag.....	Leyte.....	Sept. 2, 1902
Dumaguete.....	Negros.....	June 15, 1900
Dumanjug.....	Cebu.....	Mar. 12, 1900
E.		
Estancia.....	Panay.....	Feb. 20, 1902
G.		
Gasan.....	Marinduque.....	May 16, 1901
Gubat.....	Luzon.....	Feb. 14, 1900
Guijulan.....	Negros.....	Apr. 25, 1902
Guimayangan.....	Luzon.....	Oct. 22, 1900
Guindulman.....	Bohol.....	May 22, 1902
Guilan.....	Samar.....	May 30, 1902
H.		
Hindang.....	Leyte.....	Dec. 5, 1902
I.		
Iba.....	Luzon.....	Jan. 16, 1900
Iigan.....	Mindanao.....	Apr. 3, 1900
Infanta.....	Luzon.....	June 11, 1904
Isabela.....	Basilan.....	Apr. 1, 1900
J.		
Jimenez.....	Mindanao.....	Nov. 19, 1901
Juban.....	Luzon.....	Jan. 16, 1902
L.		
Lacy.....	Siquijor.....	June 2, 1904
La Granja.....	Samar.....	Nov. 20, 1902
Laguan.....	do.....	May 30, 1902
Langaran.....	Mindanao.....	July 1, 1902
Laosay.....	Luzon.....	Jan. 1, 1900
Legaspi.....	do.....	Jan. 30, 1900
Lemery.....	do.....	Mar. 1, 1900
Liloan.....	Leyte.....	Jan. 13, 1903
Lowy.....	Bohol.....	May 22, 1902
Loboc.....	do.....	Do.
Loboc.....	Luzon.....	May 1, 1902
Lubang.....	Lubang.....	May 26, 1903
Lucena.....	Luzon.....	May 22, 1900
M.		
Maasin.....	Leyte.....	July 7, 1900
Magallanes.....	Luzon.....	Jan. 16, 1902
Malitbog.....	Leyte.....	Feb. 22, 1900
Mambajao.....	Camiguin.....	Sept. 6, 1901
Mangarin.....	Mindoro.....	May 30, 1902
Marangas (Boni Boni).....	Paragua.....	Aug. 19, 1902
Maribajoe.....	Bohol.....	Sept. 4, 1902
Masinloc.....	Luzon.....	Apr. 7, 1900
Mati.....	Mindanao.....	Mar. 13, 1900
Matnog.....	Luzon.....	Apr. 4, 1901
Mauban.....	do.....	Apr. 13, 1900
Milagros.....	Mashate.....	May 8, 1902
Misamis.....	Mindanao.....	Apr. 3, 1900
N.		
Nasugbu.....	Luzon.....	Dec. 17, 1900
Nautan.....	Mindoro.....	Jan. 20, 1903
Naval.....	Biliran.....	Sept. 2, 1902
New Washington.....	Panay.....	Apr. 22, 1902
Nueva Caceres.....	Luzon.....	Mar. 10, 1900

Name.	Island.	Date of opening.
O.		
Odiunpan.....	Tablas.....	Jan. 13, 1903
Olongapo.....	Luzon.....	Nov. 27, 1900
Orani.....	do.....	Jan. 1, 1900
Oras.....	Samar.....	Dec. 16, 1902
Ormoc.....	Leyte.....	Feb. 22, 1900
Oroquieta.....	Mindanao.....	Oct. 1, 1900
P.		
Palanoc.....	Masbate.....	June 1, 1900
Palaui.....	Luzon.....	Feb. 21, 1901
Pandan.....	Catanduanes.....	Aug. 31, 1903
Paran Paran.....	Mindanao.....	Dec. 5, 1902
Pasacao.....	Luzon.....	Mar. 10, 1900
Pilar.....	do.....	Jan. 16, 1902
Pimamlayan.....	Mindoro.....	Sept. 30, 1903
Pitogo.....	Luzon.....	Nov. 19, 1901
Pluer.....	Masbate.....	May 2, 1903
Pola.....	Mindoro.....	May 30, 1902
Polillo.....	Polillo.....	June 11, 1904
Pontevedra.....	Negros.....	Sept. 1, 1904
Puerto Galera.....	Mindoro.....	Jan. 20, 1903
R.		
Romblon.....	Romblon.....	Jan. 10, 1900
S.		
Salomague.....	Luzon.....	Dec. 10, 1900
San Antonio.....	do.....	May 2, 1901
San Carlos.....	Negros.....	Feb. 20, 1902
San Esteban.....	Luzon.....	Sept. 21, 1903
San Felipe.....	do.....	June 1, 1900
San Fernando.....	do.....	Jan. 1, 1900
San Fernando.....	Ticao.....	Jan. 7, 1902
Sangay.....	Luzon.....	May 5, 1903
San Jacinto.....	Ticao.....	Jan. 7, 1902
San José de Buena Vista.....	Panay.....	Feb. 1, 1900
San José de Lagonoy.....	Luzon.....	July 14, 1900
San Juan de Ylog.....	Negros.....	Apr. 25, 1903
San Narciso.....	Luzon.....	May 2, 1902
Santa Cruz.....	Luzon (Zambales).....	Jan. 26, 1900
Santa Cruz.....	Marinduque.....	May 16, 1901
Santo Tomas.....	Luzon.....	Oct. 20, 1902
Siast.....	Siast.....	June 1, 1902
Siaton.....	Negros.....	Feb. 7, 1903
Sibonga.....	Cebu.....	Jan. 28, 1902
Silay.....	Negros.....	June 15, 1900
Sorsogon.....	Luzon.....	Jan. 30, 1900
Subic.....	do.....	Do.....
Surigao.....	Mindanao.....	Apr. 3, 1900
T.		
Taal.....	Luzon.....	Jan. 30, 1901
Tabuco.....	do.....	Feb. 14, 1900
Tacloban.....	Leyte.....	Jan. 30, 1900
Tagbilaran.....	Bohol.....	Mar. 22, 1900
Tagoloan.....	Mindanao.....	Feb. 5, 1903
Talibon.....	Bohol.....	Sept. 2, 1902
Talisayan.....	Mindanao.....	Feb. 2, 1903
Tanauan.....	Leyte.....	Sept. 2, 1902
Tay Tay.....	Paragua.....	Aug. 19, 1902
Toledo.....	Cebu.....	Jan. 28, 1902
Torrijos.....	Marinduque.....	May 16, 1901
Tubigon.....	Bohol.....	Apr. 5, 1900
Tuburan.....	Cebu.....	Jan. 28, 1902
Tudela.....	Camates.....	June 23, 1904
U.		
Ubay.....	Bohol.....	May 22, 1902
Umus.....	Cagayan de Jolo.....	Sept. 25, 1902
Unisan.....	Luzon.....	June 3, 1903
Usan.....	Masbate.....	Jan. 26, 1903
V.		
Vigan.....	Luzon.....	Jan. 1, 1900
Villaba.....	Leyte.....	Jan. 13, 1903
Virac.....	Catanduanes.....	Jan. 30, 1900

SPECIAL REGULATIONS FOR SMALL VESSELS IN THE MORO PROVINCE.

Pursuant to Act No. 787 of the Philippine Commission, the Moro provincial council on May 4, 1904, passed Act No. 47, as follows:

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By authority of the Philippine Commission, be it enacted by the legislative council of the Moro Province, That the use, registration, and licensing of boats of Moro or pagan construction of less than ten tons' burden shall be governed by the provisions of the general customs administrative law of the Philippine Islands and the regulations of the insular collector of customs: Provided, That collectors of customs may, in their discretion, when they shall have reason to believe that any Moro or other non-Christian making unauthorized use of such boats has acted in good faith and through excusable ignorance of the law, remit the penalty imposed for the first offense.

SEC. 2. The governors of districts, the headmen of tribal wards, and any person who shall be authorized in writing by the governor of the Moro Province, are authorized to seize boats of Moro or pagan construction of less than ten tons' burden found engaged in the coasting trade in violation of law, without warrant, and to deliver the same immediately to the collector of customs at the nearest open port. The headman of each tribal ward shall receive for each boat belonging to a resident of his tribal ward which shall be voluntarily presented for admeasurement and licensing during the year nineteen hundred and four the sum of fifty centavos Philippine currency, to be paid by appropriation from provincial funds, under such regulations as the treasurer of the Moro Province shall prescribe.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, May 4, 1904.

By section 6 of Act No. 898 of the Philippine Commission, the size of vessels which might take foreign goods into the ports of Bongao, Cape Melville (now Balabac), and Puerto Princesa was reduced from 30 tons burden to 5 tons, provided that said vessels should be of Philippine construction. The reason for this departure from the general rule in the case of these ports in the southern islands was the peculiar fact that a great amount, indeed most, of the freight carrying in this archipelago, and especially in the southern groups of islands, is done in vessels of 5 tons, and in many instances less, burden. As was stated in the last report of the insular collector of customs, much of the smuggling which has been carried on from Borneo to the southern islands of this archipelago has been done in vessels of less than 5 tons burden.

Recent reports show that even the 5 tons minimum has caused considerable dissatisfaction among the natives trading between Borneo and the ports of Bongao and Balabac. Long-established custom has caused the natives to regard these waters as their legitimate highways, and their boats, of whatever construction and tonnage, as their natural and rightful carriers, so that even the present slight restrictions create strong inducements for them to disregard the law and engage freely in illegitimate trade. It is estimated that fully one-half to two-thirds of the trading between Borneo and these ports is being and will continue to be done in boats of less than 5 tons burden.

The present law also bars the natives of Borneo from employing their own boats in legitimate work, although they have shown some disposition to come to the entry ports with their small cargoes, if the law is changed.

In view, therefore, of the fact that it is impracticable at this time to enforce the law against all or even a majority of the offenders, it

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Odiungan.....	Tablas.....	Jan. 13, 1903
Olongapo.....	Luzon.....	Nov. 27, 1900
Orani.....	do.....	Jan. 1, 1900
Oras.....	Samar.....	Dec. 16, 1902
Ormoc.....	Leyte.....	Feb. 22, 1900
Oroquieta.....	Mindanao.....	Oct. 1, 1900
P.		
Palanoc.....	Masbate.....	June 1, 1900
Palang.....	Luzon.....	Feb. 21, 1901
Pandan.....	Catanduanes.....	Aug. 31, 1903
Paran Paran.....	Mindanao.....	Dec. 5, 1902
Passacao.....	Luzon.....	Mar. 10, 1900
Pilar.....	do.....	Jan. 16, 1902
Pinamalayan.....	Mindoro.....	Sept. 30, 1903
Pitogo.....	Luzon.....	Nov. 19, 1901
Placer.....	Masbate.....	May 2, 1903
Pola.....	Mindoro.....	May 30, 1902
Polillo.....	Polillo.....	June 11, 1904
Pontevedra.....	Negros.....	Sept. 1, 1901
Puerto Galera.....	Mindoro.....	Jan. 20, 1903
R.		
Romblon.....	Romblon.....	Jan. 10, 1900
S.		
Salomague.....	Luzon.....	Dec. 10, 1900
San Antonio.....	do.....	May 2, 1901
San Carlos.....	Negros.....	Feb. 20, 1902
San Esteban.....	Luzon.....	Sept. 21, 1903
San Felipe.....	do.....	June 1, 1900
San Fernando.....	do.....	Jan. 1, 1900
San Jacinto.....	Ticao.....	Jan. 7, 1902
Sangay.....	Luzon.....	May 5, 1903
San Jacinto.....	Ticao.....	Jan. 7, 1902
San José de Buena Vista.....	Panay.....	Feb. 1, 1900
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San Juan de Ylog.....	Negros.....	Apr. 25, 1903
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Santa Cruz.....	Luzon (Zambales).....	Jan. 26, 1900
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is recommended that said Act No. 898 be amended so as to permit trade to be carried on with the ports of Bongao and Balabac in vessels of any size or construction, and further, that Act No. 578, amending section 284 of the Philippine customs administrative act, be amended by providing that vessels of less than 10 tons burden clearing at these ports for a foreign port be liable to a fee of only 20 cents Philippine currency. The present fee of ₱4 for each foreign clearance in most instances equals from 5 to 15 per cent of the value of the vessel, and is likewise disproportionate to the values of the cargoes carried.

The collector of customs at Jolo recommends that the minimum tonnage of vessels which may enter his port with foreign goods be reduced at least to 2½ tons, since the number of small Moro boats which enter Jolo exceeds the combined entries of the two ports above mentioned, and because of the well-established fact that these boats, with or without license, of large or small tonnage, will and do go to British North Borneo for trade.

Similar conditions prevail at the port of Zamboanga.

In view of the admitted policy of making special provisions of law to meet the unusual conditions surrounding Moro and other ports in the southern islands of this archipelago, therefore it is recommended that the amendatory act above suggested for the ports of Bongao and Balabac be made to apply also to the two other southern entry ports of Jolo and Zamboanga.

OFFICE WORK.

The office work of the Manila custom-house has shown a steady and decided increase month by month during the past two years, and the regular volume of correspondence is believed to be far greater than that of any other bureau in the islands.

Actual count for several months shows that the correspondence division handled and recorded during the past twelve months over 80,000 letters received and sent, and some 22,500 Chinese certificates of residence. Over 130,000 circulars, notices, and summaries are mailed annually, a considerable portion of the same being mimeographed.

COST OF COLLECTION.

As stated in the first special report of the undersigned, the rate of cost of collecting the customs revenues in the Philippine Islands is considerably less than it is in the United States. The statistics of customs transactions in the United States during the fiscal year 1903, which are the latest available for comparison, show the following figures. The port of San Francisco offers the best comparison with the port of Manila:

At San Francisco the fiscal year ended June 30, 1903, the sum of \$7,850,705.35 was collected, at a cost of \$468,935.04; cost to collect \$1, \$0.060.

At Manila, during the fiscal year 1903, the sum of \$7,861,971.64 was collected, at a cost of \$301,821.51; cost to collect \$1, \$0.0381.

At Manila, during the fiscal year 1904, just ended, a year of great business depression, as hereinbefore shown, the sum of \$7,131,379.86 was collected, at a cost of \$304,476.32; cost to collect \$1, \$0.0426.

These comparisons are made on the basis of the items which are included in determining the cost of collection in the United States, as will be seen by the following table, which shows both the total expenditures at the port of Manila on account of the Philippine customs service and the expenditures which, in accordance with the system employed in the United States, are chargeable to the cost of collecting customs duties at the port of Manila.

As very pertinent to this comparison, attention is invited to the following statement, made in the first annual report of Hon. Henry C. Ide, secretary of finance and justice:

In connection with this statement of comparative expenses it should be remarked that the customs duties in the Philippine Islands are practically one-half of what the average customs duties are at ports of the United States, so that double the amount of business has to be transacted here to collect the same amount of revenues, which makes the showing still more favorable in behalf of economy of the customs administration in the Philippine Islands. These results have been secured in face of the fact that it has been difficult to secure competent and experienced employees.

As is shown by that statement, although the actual and necessary cost of assessing and handling the present volume of imports is unchanged, the cost of collecting \$1 in the Philippine Islands is practically doubled as compared with the cost in the United States, owing to the fact that the return of the duties upon the inspection and appraisal of a given amount of merchandise is only one-half here of what it would be under the present United States tariff.

Putting the rate of cost of collection at the port of Manila on the same basis as the port of San Francisco and the other ports in the United States, the comparison is as follows:

Cost to collect \$1.

San Francisco.....	\$0.060
United States customs service (average).....	.0339
Manila:	
Fiscal year 1903.....	.0190
Fiscal year 1904.....	.0213

The cost of collecting \$1 at some of the other principal ports in the United States during the fiscal year 1903 is shown by the following comparative table:

Port.	Aggregate receipts.	Expenses.	Average number of persons employed.	Cost to collect.
New York.....	\$182,774,815.67	\$3,350,801.12	2,516	\$0.018
Boston.....	24,030,350.53	757,171.31	607	.032
Philadelphia.....	22,973,897.43	501,960.61	522	.024
Chicago.....	9,751,614.72	190,451.70	140	.020
New Orleans.....	8,670,585.07	270,376.75	207	.029
San Francisco.....	7,870,705.35	468,935.04	308	.060
Baltimore.....	5,417,360.70	281,579.25	183	.052
Hawaii.....	1,193,677.38	106,719.90	77	.089
Porto Rico.....	839,298.25	56,001.55	65	.067
Alaska.....	60,960.74	60,814.62	34	.998

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The following table shows the detailed expenditures made at the port of Manila during the fiscal years 1903-4 on account of the Philip-

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Expenditures at the port of Manila for the fiscal year ended June 30, 1903.

CUSTOMS EXPENSES PROPER.

1. Salaries of officials and employees, except janitors and night watchmen..	\$274, 187. 28
2. Incidentals, such as repairs to typewriters, desks, scales, purchase of stamps, etc.....	4, 375. 33
3. Transportation for customs officials traveling under orders.....	2, 893. 55
4. Cablegrams.....	333. 63
5. Repairs, alterations, supplies, salaries, etc., Manila Harbor launches.....	20, 031. 72
Total	301, 821. 41

OTHER EXPENSES OF BUREAU.

6. Salaries of special agents.....	6, 321. 43
7. Fuel, lights, electric power, etc.....	1, 163. 28
8. Salaries of janitors and night watchmen.....	3, 950. 61
9. Maintenance of immigration division.....	7, 264. 99
10. Repairs, supplies, alterations, salaries, and ration allowances for customs cutters.....	54, 212. 95
11. Salaries of harbor-master's division.....	971. 36
12. Salaries of admeasurer's division.....	2, 276. 00
13. Salaries of hull and boiler inspector's division.....	1, 638. 07
14. Salaries of semaphore station.....	496. 67
15. Special contingent fund (secret service).....	^a 8, 992. 29
16. Chinese registration.....	^b 2, 013. 42
17. Consular, statistical, and license division.....	17, 410. 00
Total.....	106, 711. 07

Expenditures at the port of Manila for the fiscal year ended June 30, 1904.

CUSTOMS EXPENSES PROPER.

1. Salaries of officials and employees, except janitors and night watchmen..	\$272, 028. 83
2. Incidentals, such as repairs to typewriters, desks, scales, purchase of stamps, etc.....	4, 408. 65
3. Transportation for customs officials traveling under orders.....	522. 93
4. Cablegrams.....	79. 68
5. Repairs, alterations, supplies, salaries, etc., Manila Harbor launches....	27, 436. 23
Total.....	304, 476. 32

OTHER EXPENSES OF BUREAU.

6. Salaries and per diem allowances of special agents.....	14, 213. 86
7. Fuel, lights, electric power, etc.....	968. 70
8. Salaries of janitors and night watchmen.....	3, 633. 86
9. Maintenance of immigration division.....	8, 688. 41
10. Repairs, alterations, supplies, salaries, and ration allowances for customs cutters.....	51, 683. 73
11. Salaries of harbor-master's division.....	2, 488. 88
12. Salaries of admeasurer's division.....	3, 431. 67
13. Salaries of hull and boiler inspector's division.....	5, 316. 63
14. Salaries of semaphore station.....	1, 453. 34
15. Special contingent fund (secret service).....	^c 17, 519. 48

^aOf this amount \$1,113.99 was omitted from the report on Form No. 1 of the monthly expenditures for the port of Manila.

^bThis amount was omitted from the report on Form No. 1 of the monthly expenditures for the port of Manila.

^cOf this amount \$1,000 was omitted from the report on Form No. 1 of the monthly expenditures for the port of Manila.

16. Chinese registration.....	\$24,436.02
17. Consular and statistical division.....	21,045.32
18. License division (navigation).....	1,390.00
19. Purchase and maintenance of arrastre division.....	18,127.06
Total.....	174,396.96

NOTE.—The items under the head of "Customs expenses proper" are the ones employed in ascertaining the cost to collect \$1 pursuant to the practice in the United States.

STATISTICS.

To the end that the statistical reports of these islands may be a complete and accurate record of all goods entering or leaving the same through any channel, it is earnestly recommended that a law be passed authorizing collectors of customs to demand and exact full data as to all Government supplies, for the army, navy, and other departments, brought into or exported from the islands, whether on regular commercial vessels or on Government vessels of any description.

To be serviceable, this data must be detailed and complete, and be such as to enable classifications to be made under the prescribed statistical schedules. The law should also cover data as to all passengers arriving in and departing from the islands on Government vessels.

The value of accurate statistics to the commerce of the world fully justifies the passage of such a law.

This office transmits to the Secretary of War at Washington 768 regular statistical reports each year, not including special reports called for from time to time.

Since July 1, 1903, the more important statistical reports for entry ports outside of Manila have been prepared from the original entries transmitted to this office. The results have been very satisfactory in the way of obtaining uniform classifications and fewer errors.

Since January 1, 1904, statistics have been kept of all merchandise shipped from or received at all coastwise ports, showing the classes of articles shipped or received and their destinations or points of precedence. These reports are compiled from the inward and outward coastwise manifests.

Statistics are kept also of the detailed receipts and disbursements at all coastwise ports and subports in the islands, and of all passengers leaving the islands.

The following table shows the gross receipts and expenditures of this service during the past two fiscal years.

^a Of this amount \$1,283.73 was omitted from the report on Form No. 1 of the monthly expenditures for the port of Manila.

Gross customs receipts, by sources, fiscal years ended June 30, 1903 and 1904, at all ports in the Philippine Islands.

[Amounts expressed in United States currency.]

Sources of receipts.	1903.	1904.
Import duty	\$7,678,837.18	\$6,740,117.56
Export duty	1,367,843.31	1,253,507.67
Harbor improvement tax	145,005.89	137,424.17
Coastwise license fees	118,741.99	108,575.21
Tonnage tax, foreign trade	70,058.24	70,641.36
Sale of customs stamps	50,293.78	38,993.00
Fines and seizures	20,529.41	30,843.00
Immigration dues	11,983.95	20,454.00
Chinese certificates of residence	14,820.85	19,275.37
Chinese certificates of registration	1,642.02	23,502.53
Certificates of protection, ownership, other	12,250.36	17,207.06
Admeasurement fees	7,632.13	8,718.32
Auction sales	12,233.91	6,873.49
Sale of blank forms	2,677.71	1,819.81
Sale of rolls, coastwise trade	430.63	1,258.50
Storage charges	15,500.36	12,650.58
Various other sources	10,216.20	2,006.63
Total	9,510,706.92	8,493,868.26

Gross customs expenditures for the Philippine Islands.

Nature of expenditures.	1903.	1904.
Salaries and wages	\$417,312.45	\$447,792.15
Rent and supplies	31,066.42	19,083.12
Permanent repairs	31,476.14	29,324.51
Miscellaneous expenditures	8,231.65	67,264.01
Total	488,086.67	563,463.79

The item of "miscellaneous expenditures" for the fiscal year 1904 includes the following:

Purchase and maintenance of arrastre plant	\$18,127.06
Chinese registration expenses	23,152.29
Contingent fund expenditures (secret service)	16,919.48
Total	58,198.83

The receipts from the arrastre plant are kept as a special fund and do not enter into the report of customs receipts.

A complete set of comparative statistical summaries for the fiscal year ending June 30, 1904, and previous periods, with explanatory notes, is hereto attached, marked "Appendix A."

Credit is due the chief of the statistical division of this office for the preparation of these summaries and notes, as well as for the continued excellent work of that branch of the service.

HEMP SHIPMENTS AND REFUNDABLE DUTIES.

The following table shows the exports of hemp from the Philippine Islands to the United States direct, by months, covering the period from April 1, 1902, to the end of the fiscal year, together with the amount of export duties refunded thereon under the act of Congress of March 8, 1902:

Hemp exported to the United States and refundable duties collected thereon.

Date.	Tons.	Value.	Refund-able duty collected.
1902.			
April.....	1,336	\$238,798.00	\$5,737.50
May.....	5,856	1,245,972.00	34,002.35
June.....	4,434	885,513.00	31,324.84
Total.....	11,626	2,370,283.00	71,064.69
July.....	3,040	444,875.00	22,637.91
August.....	3,219	640,890.00	24,145.36
September.....	10,831	1,863,915.00	73,280.35
October.....	5,400	1,075,876.00	40,504.83
November.....	10,662	1,967,454.00	78,901.76
December.....	4,616	925,060.00	34,547.48
1903.			
January.....	6,317	919,711.00	47,304.62
February.....	3,136	484,034.00	24,300.27
March.....	256	44,800.00	1,912.50
April.....	9,155	1,544,934.00	68,630.12
May.....	7,449	1,297,122.00	62,804.71
June.....	6,435	1,105,641.00	47,958.19
Total.....	70,526	12,314,312.00	526,928.10
July.....	3,600	610,661.00	26,997.80
August.....	6,748	1,176,068.00	50,627.44
September.....	5,629	930,972.00	66,205.43
October.....	5,850	1,092,907.00	43,949.68
November.....	7,368	1,228,609.00	44,112.33
December.....	7,959	1,326,981.00	59,694.87
1904.			
January.....	2,980	547,228.00	22,875.47
February.....	1,797	344,547.00	13,475.46
March.....	2,586	466,755.00	19,398.50
April.....	5,589	962,634.00	41,915.34
May.....	4,376	828,572.00	29,835.98
June.....	6,430	1,115,657.00	43,245.53
Total.....	60,912	10,631,591.00	462,433.83

The total refundable export duties collected on hemp to June 30, 1904, was \$1,060,426.62.
Total exports of hemp to all countries, 1903, 129,984 tons; in 1904, 128,752 tons.

Considering customs receipts from the standpoint of insular revenues, the amount of duty paid by the insular government and the amount of refundable export duty collected on hemp shipped direct to the United States for consumption there, under the provisions of the act of Congress approved March 8, 1902, should be deducted from gross receipts.

Refundable export duties have been collected at only two ports, as follows:

Port.	1902.	1903.	1904.	Total.
Manila.....	\$35,316.83	\$110,616.43	\$378,213.07	\$824,206.33
Cebu.....	35,717.86	116,281.67	84,220.76	26,220.29
Total.....	71,064.69	526,928.10	462,433.83	1,060,426.62

During the fiscal years 1902 and 1903 the collection of export duties was greatly increased at Cebu in consequence of the cholera epidemic at Manila, which caused much hemp to be exported direct from Cebu, which, under normal conditions, would have been shipped coastwise to Manila and exported from this port.

HULL AND BOILER INSPECTION SERVICE.

The unsatisfactory conditions set forth in the last report of this office in regard to this work still prevail to a great extent, and while the limited appropriation available has served to retard inspections, especially outside of the Manila district, the principal reason for the unsatisfactory state of this most important service to the public lies in the peculiar physical conditions surrounding the work.

At the present time, of the entire number of steam and sailing vessels of such size as to make their inspection a matter of moment to the safety of the traveling public perhaps two-thirds are types of marine architecture of some decades past; their hulls and machinery, tackle, and equipment are of more or less antiquated model, and under the laxly enforced regulations of the former government of these islands few of the passenger-carrying vessels have been maintained and equipped in the way demanded by the regulations and public sentiment in the United States. As a result, any attempt to-day to subject these vessels to rules approaching some of the United States steamboat-inspection regulations is followed by severe complaints on the part of the vessels' owners. Steamship lines claim, and their views are by no means unnatural or unreasonable from their standpoint, that it is unjust to impose upon an industry already suffering from great commercial depression additional expenses and losses through delays, in order to make their steamers conform to standards and equipment for which they were never constructed, which were not required by the former government of these islands, and to which the public are not accustomed, for which they do not pay, hence do not expect to receive. There is undoubtedly great force in these arguments, and the statements of conditions contained therein are substantially true; yet how far would these arguments and conditions serve to free the insular government and its officials, charged with protecting the lives and property of the inhabitants of these islands from heavy moral responsibilities, if, in case some terrible marine disaster should occur with a vessel permitted to carry passengers, it developed that the condition, equipment, and life-saving appliances of the vessel were far below the standards set in the United States, and that American officials were cognizant of their inferiority and insufficiency? The situation merits most serious consideration on the part both of the government and the owners of vessels in these islands. The recent accidents to the *General Slocum* in New York Bay and to the Danish steamer *Norge* have been severely visited on the heads of those charged with seeing to the adequacy of the equipment, construction, and appliances of those vessels, and the insufficiency of post-mortem inquiries to save lives has been again fully demonstrated.

For the purpose of giving this situation all the study and attention which its importance warrants, this office has appointed a board of officers belonging to different departments of the insular government, under the chairmanship of the insular surveyor of customs, with directions to consult freely with the different shipping interests here and to recommend such regulations as will give the maximum amount of protection to the public without unduly interfering with an industry which is vitally important to the progress and development of the islands. There is much to be said between those extremes.

From the beginning of the present fiscal year the service has consisted of one supervising inspector, two inspectors of boilers, and one inspector of hulls, a total of four officials to supervise some thousands of vessels distributed throughout the archipelago. That this force is utterly inadequate to properly carry out this important work is patent, and it is earnestly recommended that, as soon as the condition of the treasury will permit, the force proposed in the last report of this office be provided, to wit, one supervising inspector, with two boiler inspectors and one hull inspector at Manila, one boiler inspector and one hull inspector at Cebu, and a corresponding force at Iloilo. Under that plan the inspectors at Cebu and Iloilo would be required to cover between them the collection districts of Jolo, Zamboanga, Balabac, and Bongao.

During the period from July 1, 1903, to September 1, 1904, 230 vessels have been inspected and granted certificates at the port of Manila. A list of said vessels, showing their names, gross tonnage, and class, is hereto attached, marked "Appendix B."

It is believed that the reconciling of the numerous vital questions arising under this branch of the service is one of the most important works still before this office.

ADMEASUREMENT.

There has been considerable improvement in the work of admeasurement all the vessels of the Philippine Islands during the past year, due to the increased number of officials who have become familiar with the duties of that service.

Admeasurement work accomplished throughout the islands during the past fiscal year.

Port.	Vessels admeas- ured.	Amount of fees.	
		United States cur- rency.	Philippine currency.
Aparri.....	316	\$280.07	₱636.20
Butangas.....	117	27.75	388.30
Balabac.....	6		27.00
Bongao.....			
Cebu.....	716	1,330.43	4,128.69
Capiz.....	102	30.00	329.05
Cuyo.....	39	9.00	118.50
Cape Melville.....	7	7.50	25.50
Cotabato.....	23	37.50	
Catbalogan.....	106	53.75	370.88
Dumaguete.....	126	375.75	
Davao.....	3		13.50
Iba.....	1		3.00
Iloilo.....	347	1,100.75	1,106.00
Jolo.....	23	12.00	162.00
Legaspi.....	122	221.39	
Manila.....	595	1,188.12	2,982.47
Puerto Princesa.....	35	30.00	42.00
Romblon.....	53	12.75	91.50
San Fernando Union.....	331	721.35	
Surigao.....	141	221.00	48.00
Siasi.....	5		
Sorsogon.....	121	218.90	
San José de Buenavista.....	65	96.45	18.00
Subic.....	23	35.57	
Tacloban.....	175	307.75	215.50
Zamboanga.....	32	23.25	84.00
Total (27 ports).....	3,663	6,431.12	10,810.09

A total of \$11,836.16 United States currency.

SIGNAL LETTERS AND OFFICIAL NUMBERS FOR PHILIPPINE VESSELS.

The system of signal letters and official numbers for vessels of the Philippine Islands, as outlined in the last report of this office, has been carried out, and up to the present time 2,801 documented vessels have been assigned official numbers, 334 of which have also received signal letters.

If, therefore, at any time Congress shall admit Philippine vessels to American registry, as it has done in the past for vessels owned in other territories acquired by the United States, the existing signal letters and official numbers may be confirmed, at a great saving of time, expense, and confusion.

Lists of the vessels to which these assignments have been made up to July 1, 1904, have been published in Customs Administrative Circular No. 338, a copy of which is attached hereto, marked "Appendix C."

INTERNAL-REVENUE COLLECTIONS.

On August 1, 1904, this office was designated to collect the taxes imposed by the internal-revenue law of 1904 on all matches imported into these islands, and the insular collector of customs was authorized to designate customs officers to perform this duty at the various other ports of entry.

Pursuant to above designation and authority, this office, on August 5, 1904, published in Customs Administrative Circular No. 334, a copy of which is hereto attached, marked "Appendix D," certain temporary rules for the collection of the tax imposed on imported matches.

BOARD OF PROTESTS AND APPEALS.

The board of protests and appeals at Manila was appointed by the insular collector of customs to assist in the reconsideration of classifications and valuations of all imported merchandise arriving in the islands which becomes the subject of protest, as well as in the imposition and remission of pecuniary penalties.

The board reports that the total number of protests received at the port of Manila during the past year (September 1, 1903, to September 1, 1904) is 1,106.

The following statistical tables are given of all protests and appeals at the port of Manila, and the amounts of duties refunded thereunder, from July 1, 1902, to June 30, 1904, the end of the last fiscal year:

Refunds at the port of Manila from July 1, 1902, to June 30, 1904.

Month.	Decisions of court.	Decisions of court applied.	Total on decisions of court.	Decisions of collector.	Total refunds
1902.					
July.....				\$99.04	\$99.04
August.....				26.85	26.85
September.....				669.77	669.77
October.....				286.49	286.49
November.....	\$3.18		\$3.18	874.15	877.33
December.....				758.75	758.75
1903.					
January.....	360.00		360.00	342.93	702.93
February.....				794.03	794.03
March.....				453.21	453.21
April.....					

Refunds at the port of Manila from July 1, 1902, to June 30, 1904—Continued.

Month.	Decisions of court.	Decisions of court applied.	Total on decisions of court.	Decisions of collector.	Total refunds.
1903.					
May.....	\$197.66		\$197.66		\$197.66
June.....		\$796.31	796.31		796.31
Fiscal year.....	860.84	796.31	1,657.15	\$1,315.22	5,945.37
July.....				4.03	4.03
August.....				231.48	231.48
September.....				913.94	913.94
October.....	2,700.00		2,700.00	188.61	2,888.61
November.....	4,710.48	208.99	4,919.47	2,968.93	7,888.40
December.....					
1904.					
January.....	224.86	56.24	281.10	349.35	630.45
February.....				607.18	607.18
March.....	145.83	1,798.61	1,944.44	497.14	2,441.58
April.....	190.04	615.03	805.07	2,432.89	3,047.92
May.....		706.29	706.29	916.38	1,652.67
June.....		158.43	158.43	111.60	270.03
Fiscal year.....	7,971.21	3,353.55	11,324.76	9,251.53	20,576.29
Total.....	8,832.05	4,149.86	12,981.91	13,566.75	26,521.66

Protests and appeals at the port of Manila from February 1, 1902, to June 30, 1904.

Month.	Protests filed.			Protests decided.					Protests undecided.	
	Constitutional questions.	Other questions.	Total.	Constitutional questions.	Other questions.	Sustained.	Overruled.	Total.	Canceled.	Pending.
1902.										
February.....	147	39	186						1	
March.....	215	37	252						1	
April.....	196	28	224						2	
May.....	173	44	217	637	52		689	689	1	
June.....	86	40	126	117	19		136	136	2	
Total.....	817	188	1,005	754	71		825	825	7	
July.....	79	53	132	119	27	3	143	146	2	
August.....	52	35	87	10	1		11	11		
September.....	68	54	122	96	27	7	116	123	2	2
October.....	83	65	148	46	47	10	83	93	1	5
November.....	46	50	96	76	26	3	99	102		8
December.....	57	41	98		57	8	49	57		2
1903.										
January.....	85	47	132	139	24	2	161	163		10
February.....	38	45	83	35	69	13	82	95	1	7
March.....	34	61	95	42	22	7	57	64	1	
April.....	42	54	96		1		1	1		12
May.....	27	65	92	71			71	71		10
June.....	37	43	80	24	34	27	31	58		8
Fiscal year.....	618	613	1,231	658	326	80	904	984	7	71
July.....	25	38	63	47	22	2	67	69		10
August.....	23	41	64	24	28		52	52		6
September.....	40	71	111	26	13	3	36	39		8
October.....	31	68	102	40	9	6	43	49		14
November.....	30	47	77		75	23	52	75		7
December.....	22	44	66		40	16	24	40		7
1904.										
January.....	44	61	105		57	19	38	57	1	15
February.....	20	62	82	127	56	16	167	183	2	7
March.....	35	50	85	59	173	116	116	232	1	17
April.....	26	37	63	29	202	93	138	231		14
May.....	24	78	102	25	44	21	48	69		64
June.....	32	81	113	26	24	9	41	50	1	86
Fiscal year.....	355	678	1,033	403	743	324	822	1,146	5	255
Total.....	1,820	1,479	3,299	1,815	1,140	404	2,551	2,955	19	326

SIGNAL LETTERS AND OFFICIAL NUMBERS FOR PHILIPPINE VESSELS.

The system of signal letters and official numbers for vessels of the Philippine Islands, as outlined in the last report of this office, has been carried out, and up to the present time 2,801 documented vessels have been assigned official numbers, 334 of which have also received signal letters.

If, therefore, at any time Congress shall admit Philippine vessels to American registry, as it has done in the past for vessels owned in other territories acquired by the United States, the existing signal letters and official numbers may be confirmed, at a great saving of time, expense, and confusion.

Lists of the vessels to which these assignments have been made up to July 1, 1904, have been published in Customs Administrative Circular No. 338, a copy of which is attached hereto, marked "Appendix C."

INTERNAL-REVENUE COLLECTIONS.

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BOARD OF PROTESTS AND APPEALS.

The board of protests and appeals at Manila was appointed by the insular collector of customs to assist in the reconsideration of classifications and valuations of all imported merchandise arriving in the islands which becomes the subject of protest, as well as in the imposition and remission of pecuniary penalties.

The board reports that the total number of protests received at the port of Manila during the past year (September 1, 1903, to September 1, 1904) is 1,106.

The following statistical tables are given of all protests and appeals at the port of Manila, and the amounts of duties refunded thereunder, from July 1, 1902, to June 30, 1904, the end of the last fiscal year:

Refunds at the port of Manila from July 1, 1902, to June 30, 1904.

Month.	Decisions of court.	Decisions of court applied.	Total on decisions of court.	Decisions of collector.	Total refunds
1902.					
July.....				\$99.04	\$99.04
August.....				26.85	26.85
September.....				669.77	669.77
October.....				286.49	286.49
November.....	\$3.18		\$3.18	874.15	877.33
December.....				758.75	758.75
1903.					
January.....	360.00		360.00	342.93	702.93
February.....				794.03	794.03
March.....				453.21	453.21
April.....					

Refunds at the port of Manila from July 1, 1902, to June 30, 1904—Continued.

Month.	Decisions of court.	Decisions of court applied.	Total on decisions of court.	Decisions of collector.	Total refunds.
1903.					
May.....	\$197.66		\$197.66		\$197.66
June.....		\$796.31	796.31		796.31
Fiscal year.....	860.84	796.31	1,657.15	\$1,315.22	5,945.37
July.....				4.03	4.03
August.....				231.48	231.48
September.....				913.94	913.94
October.....	2,700.00		2,700.00	188.61	2,888.61
November.....	4,710.48	208.99	4,919.47	2,968.93	7,888.40
December.....					
1904.					
January.....	224.86	56.24	281.10	349.35	670.45
February.....				607.18	607.18
March.....	145.83	1,798.61	1,944.44	497.14	2,441.58
April.....	190.04	424.99	615.03	2,432.89	3,017.92
May.....		706.29	706.29	916.38	1,652.67
June.....		158.43	158.43	111.60	270.03
Fiscal year.....	7,971.21	3,353.55	11,324.76	9,251.53	20,576.29
Total.....	8,832.05	4,149.86	12,981.91	13,566.75	26,521.66

Protests and appeals at the port of Manila from February 1, 1902, to June 30, 1904.

Month.	Protests filed.			Protests decided.					Protests undecided.	
	Constitutional questions.	Other questions.	Total.	Constitutional questions.	Other questions.	Sustained.	Overruled.	Total.	Canceled.	Pending.
1902.										
February.....	147	39	186						1	
March.....	215	37	252						1	
April.....	196	28	224						2	
May.....	173	44	217	637	52		689	689	1	
June.....	86	40	126	117	19		136	136	2	
Total.....	817	188	1,005	754	71		825	825	7	
July.....	79	53	132	119	27	3	143	146	2	
August.....	52	35	87	10	1		11	11		
September.....	68	54	122	96	27	7	116	123	2	2
October.....	83	65	148	46	47	10	83	93	1	5
November.....	46	50	96	76	26	3	99	102		8
December.....	57	41	98		57	8	49	57		2
1903.										
January.....	85	47	132	139	24	2	161	163		10
February.....	38	45	83	35	60	13	82	95	1	7
March.....	34	61	95	42	22	7	57	64	1	
April.....	42	54	96		1		1	1		12
May.....	27	65	92	71			71	71		10
June.....	37	43	80	24	34	27	31	58		8
Fiscal year.....	648	613	1,261	658	326	80	904	984	7	71
July.....	25	38	63	47	22	2	67	69		10
August.....	23	41	64	24	28		52	52		6
September.....	40	71	111	26	13	3	36	39		8
October.....	31	68	102	40	9	6	43	49		14
November.....	30	47	77		75	23	52	75		7
December.....	22	44	66		40	16	24	40		7
1904.										
January.....	44	61	105		57	19	38	57	1	15
February.....	20	62	82	127	56	16	167	183	2	7
March.....	35	50	85	50	173	116	116	232	1	17
April.....	26	37	63	29	202	93	138	231		14
May.....	24	78	102	25	44	21	48	69		64
June.....	32	81	113	26	24	9	41	50	1	86
Fiscal year.....	355	678	1,033	403	743	324	822	1,146	5	255
Total.....	1,820	1,479	3,299	1,815	1,140	404	2,551	2,955	19	326

HULL AND BOILER INSPECTION SERVICE.

The unsatisfactory conditions set forth in the last report of this office in regard to this work still prevail to a great extent, and while the limited appropriation available has served to retard inspections, especially outside of the Manila district, the principal reason for the unsatisfactory state of this most important service to the public lies in the peculiar physical conditions surrounding the work.

At the present time, of the entire number of steam and sailing vessels of such size as to make their inspection a matter of moment to the safety of the traveling public perhaps two-thirds are types of marine architecture of some decades past; their hulls and machinery, tackle, and equipment are of more or less antiquated model, and under the laxly enforced regulations of the former government of these islands few of the passenger-carrying vessels have been maintained and equipped in the way demanded by the regulations and public sentiment in the United States. As a result, any attempt to-day to subject these vessels to rules approaching some of the United States steam-boat-inspection regulations is followed by severe complaints on the part of the vessels' owners. Steamship lines claim, and their views are by no means unnatural or unreasonable from their standpoint, that it is unjust to impose upon an industry already suffering from great commercial depression additional expenses and losses through delays, in order to make their steamers conform to standards and equipment for which they were never constructed, which were not required by the former government of these islands, and to which the public are not accustomed, for which they do not pay, hence do not expect to receive. There is undoubtedly great force in these arguments, and the statements of conditions contained therein are substantially true; yet how far would these arguments and conditions serve to free the insular government and its officials, charged with protecting the lives and property of the inhabitants of these islands from heavy moral responsibilities, if, in case some terrible marine disaster should occur with a vessel permitted to carry passengers, it developed that the condition, equipment, and life-saving appliances of the vessel were far below the standards set in the United States, and that American officials were cognizant of their inferiority and insufficiency? The situation merits most serious consideration on the part both of the government and the owners of vessels in these islands. The recent accidents to the *General Slocum* in New York Bay and to the Danish steamer *Norge* have been severely visited on the heads of those charged with seeing to the adequacy of the equipment, construction, and appliances of those vessels, and the insufficiency of post-mortem inquiries to save lives has been again fully demonstrated.

For the purpose of giving this situation all the study and attention which its importance warrants, this office has appointed a board of officers belonging to different departments of the insular government, under the chairmanship of the insular surveyor of customs, with directions to consult freely with the different shipping interests here and to recommend such regulations as will give the maximum amount of protection to the public without unduly interfering with an industry which is vitally important to the progress and development of the islands. There is much to be said between those extremes.

From the beginning of the present fiscal year the service has consisted of one supervising inspector, two inspectors of boilers, and one inspector of hulls, a total of four officials to supervise some thousands of vessels distributed throughout the archipelago. That this force is utterly inadequate to properly carry out this important work is patent, and it is earnestly recommended that, as soon as the condition of the treasury will permit, the force proposed in the last report of this office be provided, to wit, one supervising inspector, with two boiler inspectors and one hull inspector at Manila, one boiler inspector and one hull inspector at Cebu, and a corresponding force at Iloilo. Under that plan the inspectors at Cebu and Iloilo would be required to cover between them the collection districts of Jolo, Zamboanga, Balabac, and Bongao.

During the period from July 1, 1903, to September 1, 1904, 230 vessels have been inspected and granted certificates at the port of Manila. A list of said vessels, showing their names, gross tonnage, and class, is hereto attached, marked "Appendix B."

It is believed that the reconciling of the numerous vital questions arising under this branch of the service is one of the most important works still before this office.

ADMEASUREMENT.

There has been considerable improvement in the work of admeasuring all the vessels of the Philippine Islands during the past year, due to the increased number of officials who have become familiar with the duties of that service.

Admeasurement work accomplished throughout the islands during the past fiscal year.

Port.	Vessels admeas- ured.	Amount of fees.	
		United States cur- rency.	Philippine currency.
Aparri.....	316	\$280.07	P 656.20
Butangas.....	117	27.75	388.30
Balabac.....	6	.....	27.00
Bongao.....	.....	.....	.....
Cebu.....	746	1,330.43	4,138.69
Capiz.....	102	30.00	329.05
Cuyo.....	39	9.00	118.50
Cape Melville.....	7	7.50	25.50
Cotabato.....	23	37.50	.....
Catuboguan.....	106	53.75	370.88
Dumaguete.....	126	375.75	.....
Davao.....	3	.....	13.50
Iba.....	1	.....	3.00
Iloilo.....	347	1,160.75	1,106.00
Jolo.....	23	12.00	162.00
Legaspi.....	122	221.39	.....
Manila.....	595	1,188.12	2,982.47
Puerto Princesa.....	35	30.00	42.00
Romblon.....	53	42.75	91.50
San Fernando Union.....	331	721.35	.....
Surigao.....	141	221.00	48.00
Siasi.....	5	.....	.....
Sorsogon.....	121	218.99	.....
San José de Buenavista.....	65	96.45	18.00
Subic.....	23	35.57	.....
Tacloban.....	175	307.75	215.50
Zamboanga.....	32	23.25	84.00
Total (27 ports).....	3,663	6,431.12	10,810.09

A total of \$11,836.16 United States currency.

SIGNAL LETTERS AND OFFICIAL NUMBERS FOR PHILIPPINE VESSELS.

The system of signal letters and official numbers for vessels of the Philippine Islands, as outlined in the last report of this office, has been carried out, and up to the present time 2,801 documented vessels have been assigned official numbers, 334 of which have also received signal letters.

If, therefore, at any time Congress shall admit Philippine vessels to American registry, as it has done in the past for vessels owned in other territories acquired by the United States, the existing signal letters and official numbers may be confirmed, at a great saving of time, expense, and confusion.

Lists of the vessels to which these assignments have been made up to July 1, 1904, have been published in Customs Administrative Circular No. 338, a copy of which is attached hereto, marked "Appendix C."

INTERNAL-REVENUE COLLECTIONS.

On August 1, 1904, this office was designated to collect the taxes imposed by the internal-revenue law of 1904 on all matches imported into these islands, and the insular collector of customs was authorized to designate customs officers to perform this duty at the various other ports of entry.

Pursuant to above designation and authority, this office, on August 5, 1904, published in Customs Administrative Circular No. 334, a copy of which is hereto attached, marked "Appendix D," certain temporary rules for the collection of the tax imposed on imported matches.

BOARD OF PROTESTS AND APPEALS.

The board of protests and appeals at Manila was appointed by the insular collector of customs to assist in the reconsideration of classifications and valuations of all imported merchandise arriving in the islands which becomes the subject of protest, as well as in the imposition and remission of pecuniary penalties.

The board reports that the total number of protests received at the port of Manila during the past year (September 1, 1903, to September 1, 1904) is 1,106.

The following statistical tables are given of all protests and appeals at the port of Manila, and the amounts of duties refunded thereunder, from July 1, 1902, to June 30, 1904, the end of the last fiscal year:

Refunds at the port of Manila from July 1, 1902, to June 30, 1904.

Month.	Decisions of court.	Decisions of court applied.	Total on decisions of court.	Decisions of collector.	Total refunds
1902.					
July.....				\$99.04	\$99.04
August.....				26.85	26.85
September.....				669.77	669.77
October.....				296.49	296.49
November.....	\$3.18		\$3.18	874.15	877.33
December.....				758.75	758.75
1903.					
January.....	360.00		360.00	342.93	702.93
February.....				791.03	794.03
March.....				453.21	453.21
April.....					

Refunds at the port of Manila from July 1, 1902, to June 30, 1904—Continued.

Month.	Decisions of court.	Decisions of court applied.	Total on decisions of court.	Decisions of collector.	Total refunds.
1903.					
May.....	\$197.66		\$497.66		\$197.66
June.....		\$796.31	796.31		796.31
Fiscal year.....	880.84	796.31	1,657.15	\$1,315.22	5,945.37
July.....				4.03	4.03
August.....					
September.....				231.48	231.48
October.....				913.94	913.94
November.....	2,700.00		2,700.00	188.61	2,888.61
December.....	4,710.48	208.99	4,919.47	2,968.93	7,888.40
1904.					
January.....	224.86	56.24	281.10	349.35	630.45
February.....				607.18	607.18
March.....	145.83	1,798.61	1,944.44	497.14	2,441.58
April.....	190.04	424.99	615.03	2,432.89	3,047.92
May.....		706.29	706.29	946.38	1,652.67
June.....		158.43	158.43	111.60	270.03
Fiscal year.....	7,971.21	3,353.55	11,324.76	9,251.53	20,576.29
Total.....	8,832.05	4,149.86	12,981.91	13,566.75	26,541.66

Protests and appeals at the port of Manila from February 1, 1902, to June 30, 1904.

Month.	Protests filed.			Protests decided.					Protests undecided.	
	Constitutional questions.	Other questions.	Total.	Constitutional questions.	Other questions.	Sustained.	Overruled.	Total.	Cancelled.	Pending.
1902.										
February.....	147	39	186						1	
March.....	215	37	252						1	
April.....	196	28	224						2	
May.....	173	44	217	637	52		689	689	1	
June.....	86	40	126	117	19		136	136	2	
Total.....	817	188	1,005	754	71		825	825	7	
July.....	79	53	132	119	27	3	143	146	2	
August.....	52	35	87	10	11		11	11		
September.....	68	54	122	96	27	7	116	123	2	2
October.....	83	65	148	46	47	10	83	93	1	5
November.....	46	50	96	76	26	3	99	102		8
December.....	57	41	98		57	8	49	57		2
1903.										
January.....	85	47	132	139	24	2	161	163		10
February.....	38	45	83	35	60	13	82	95	1	7
March.....	34	61	95	42	22	7	57	64	1	7
April.....	42	54	96		1		1	1		12
May.....	27	65	92	71			71	71		10
June.....	37	43	80	24	34	27	31	58		8
Fiscal year.....	648	613	1,261	658	326	80	904	984	7	71
July.....	25	38	63	47	22	2	67	69		10
August.....	23	41	64	24	28		52	52		6
September.....	40	71	111	26	13	3	36	39		8
October.....	34	68	102	40	9	6	43	49		14
November.....	30	47	77		75	23	52	75		7
December.....	22	44	66		40	16	21	40		7
1904.										
January.....	44	61	105		57	19	38	57	1	15
February.....	20	62	82	127	56	16	167	183	2	7
March.....	35	50	85	59	173	116	116	232	1	17
April.....	26	37	63	29	202	93	138	231		14
May.....	24	78	102	25	44	21	48	69		64
June.....	32	81	113	26	24	9	41	50	1	86
Fiscal year.....	355	678	1,033	403	743	321	822	1,146	5	255
Total.....	1,820	1,479	3,299	1,815	1,140	404	2,351	2,955	19	326

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The board of protests and appeals at Manila was appointed by the insular collector of customs to assist in the reconsideration of classifications and valuations of all imported merchandise arriving in the islands which becomes the subject of protest, as well as in the imposition and remission of pecuniary penalties.

The board reports that the total number of protests received at the port of Manila during the past year (September 1, 1903, to September 1, 1904) is 1,106.

The following statistical tables are given of all protests and appeals at the port of Manila, and the amounts of duties refunded thereunder, from July 1, 1902, to June 30, 1904, the end of the last fiscal year:

Refunds at the port of Manila from July 1, 1902, to June 30, 1904.

Month.	Decisions of court.	Decisions of court applied.	Total on decisions of court.	Decisions of collector.	Total refunds
1902.					
July.....				\$99.04	\$99.04
August.....				26.85	26.85
September.....				669.77	669.77
October.....				206.49	206.49
November.....	\$3.18		\$3.18	874.15	877.33
December.....				758.75	758.75
1903.					
January.....	360.00		360.00	342.93	702.93
February.....				794.03	794.03
March.....				453.21	453.21
April.....					

Refunds at the port of Manila from July 1, 1902, to June 30, 1904—Continued.

Month.	Decisions of court.	Decisions of court applied.	Total on decisions of court.	Decisions of collector.	Total refunds.
1903.					
May.....	\$497.66		\$497.66		\$497.66
June.....		\$796.31	796.31		796.31
Fiscal year.....	860.84	796.31	1,657.15	\$4,315.22	5,945.37
July.....				4.03	4.03
August.....					
September.....				231.48	231.48
October.....				913.94	913.94
November.....	2,700.00		2,700.00	188.61	2,888.61
December.....	4,710.48	208.99	4,919.47	2,968.93	7,888.40
1904.					
January.....	224.86	56.24	281.10	349.35	630.45
February.....				607.18	607.18
March.....	145.83	1,798.61	1,944.44	497.14	2,441.58
April.....	190.04	424.99	615.03	2,432.89	3,047.92
May.....		706.29	706.29	916.38	1,652.67
June.....		158.43	158.43	111.60	270.03
Fiscal year.....	7,971.21	3,353.55	11,324.76	9,251.53	20,576.29
Total.....	8,832.05	4,149.86	12,981.91	13,566.75	26,521.66

Protests and appeals at the port of Manila from February 1, 1902, to June 30, 1904.

Month.	Protests filed.			Protests decided.					Protests undecided.	
	Constitutional questions.	Other questions.	Total.	Constitutional questions.	Other questions.	Sustained.	Overruled.	Total.	Canceled.	Pending.
1902.										
February.....	147	39	186						1	
March.....	215	37	252						1	
April.....	196	28	224						2	
May.....	173	44	217	637	52		689	689	1	
June.....	86	40	126	117	19		136	136	2	
Total.....	817	188	1,005	754	71		825	825	7	
July.....	79	53	132	119	27	3	143	146	2	
August.....	52	35	87	10	1		11	11		
September.....	68	54	122	96	27	7	116	123	2	2
October.....	83	65	148	46	47	10	83	93	1	5
November.....	46	50	96	76	26	3	99	102		8
December.....	57	41	98		57	8	49	57		2
1903.										
January.....	85	47	132	139	24	2	161	163		10
February.....	38	45	83	35	60	13	82	95	1	7
March.....	34	61	95	42	22	7	57	64	1	7
April.....	42	54	96		1		1	1		12
May.....	27	65	92	71			71	71		10
June.....	37	43	80		34	27	31	58		8
Fiscal year.....	618	613	1,261	658	326	80	904	984	7	71
July.....	25	38	63	47	22	2	67	69		10
August.....	23	41	64	24	28		52	52		6
September.....	40	71	111	26	13	3	36	39		8
October.....	34	68	102	40	9	6	43	49		14
November.....	30	47	77		75	23	52	75		7
December.....	22	44	66		40	16	24	40		7
1904.										
January.....	44	61	105		57	19	38	57	1	15
February.....	20	62	82	127	56	16	167	183	2	7
March.....	35	50	85	59	173	116	116	232	1	17
April.....	26	37	63	29	202	93	138	241		14
May.....	21	78	102	25	44	21	48	69		64
June.....	32	81	113	26	24	9	41	50	1	86
Fiscal year.....	355	678	1,033	403	743	321	822	1,146	5	255
Total.....	1,820	1,479	3,299	1,815	1,140	404	2,551	2,955	19	326

Protests and appeals at the port of Manila from February 1, 1902, to June 30, 1904—Cont'd.

Month.	Appeals filed.			Appeals decided.					Appeals undecided.	
	Constitutional questions.	Other questions.	Total.	Constitutional questions.	Other questions.	Decisions affirmed.	Decisions modified.	Total.	Canceled.	Pending.
1902.										
February.....										
March.....										
April.....										
May.....	32		32							
June.....	133	1	134						31	
Total.....	165	1	166						31	
July.....	48	1	49							
August.....	15	11	26						4	
September.....	37	12	49	210	3	212	1	213	4	
October.....	25	11	36		1	1		1	1	
November.....	38	22	60		5	3	2	5	3	
December.....		27	27						6	1
1903.										
January.....	51	8	59							
February.....	20	26	46							
March.....	23	2	25	86	37	105	18	123	4	
April.....	1		1							
May.....	13		13						2	
June.....	22	1	23							1
Fiscal year.....	293	121	414	296	46	321	21	342	24	2
1903.										
July.....	15	7	22							1
August.....	7		7	142	53	168	27	195		
September.....		10	10							4
October.....	16	2	18							12
November.....		19	19		1		1	1	1	8
December.....		6	6							1
1904.										
January.....		8	8							7
February.....		14	14	5	15	14	6	20		13
March.....		10	10							10
April.....		17	17		5	2	3	5		17
May.....		11	11		2	1	1	2		11
June.....		2	2		15	14	1	15		2
Fiscal year.....	38	106	144	147	91	199	39	238	1	86
Total.....	496	228	724	443	137	520	60	590	56	88

Since the inception of the Philippine customs administrative act decisions have been rendered by this office on 2,955 protests, 1,815 of which raised constitutional questions, and 1,140 questions of classification, valuation, etc.

All protests on constitutional questions have been overruled and denied, the legality of the collection of duties on imports and exports having been affirmed by the court of customs appeals (Tariff Decision Circular No. 179) and by the United States Court of Claims (Tariff Decision Circular No. 436.)

Of the 1,140 protests on other questions decided by this office, principally classifications and valuations, 404 were sustained and 736 were overruled and denied.

During this same period 580 appeals from the decisions of this office on protests were decided by the court of customs appeals, of which number 443 were on constitutional questions. The decisions of this office were affirmed on all appeals on constitutional questions. Of the 137 appeals on other questions, the decisions of this office on 60 were modified, and on 77 the decisions of this office were affirmed.

Appeals from decisions of collectors of customs at subports of entry to the insular collector of customs were filed and decided as follows:

Appeals filed and decided.

Month.	Decisions filed.	Decisions affirmed.	Decisions reversed.	Total decisions made.
1903.				
July.....			1	1
August.....		1		1
September.....				
October.....				
November.....	1	3		3
December.....	2			
1904.				
January.....		1		1
February.....	1	2		2
March.....				
April.....	1	1		1
May.....	1	2		2
June.....	1	1		1
Total.....	7	11	1	12

During the year but three appeals to the court of customs appeals were received from subports of entry, one in September, one in March, and one in May. One of these appeals was decided in June, 1904, the decision of the collector of customs being affirmed. Refunds on protests sustained by collectors of customs at subports of entry, and on appeals to the insular collector, have been ordered in the sum of \$1,359.63 United States currency, as follows:

Refunds on protests sustained by collectors of customs at subports of entry and on appeals to the insular collector.

Month and year.	Iloilo.	Zambo-anga.
December, 1902.....	\$718.95	
February, 1903.....		\$11.03
July, 1903.....	65.76	
February, 1904.....	451.25	
April, 1904.....	17.01	
May, 1904.....	65.63	
Total.....	1,318.60	41.03

NOTE.—In the preparation of the above tables all protests have been considered as sustained and all appeals reversing the decision of the collector of customs, on which refunds were ordered by the decisions, without regard to whether or not other questions in the same protest or appeal were overruled and denied or the decision of the collector of customs thereon affirmed.

There has been a notable decrease in the number of appeals to the court of customs appeals during the past year, which is partly due to the fact that practically no appeals are now filed where the protester bases his claim on constitutional grounds, and partly owing to the fact that protests are now so decided as to permit of but one appeal on one question.

The amount of refunds ordered at the port of Manila has greatly increased during the past fiscal year. Up to July 1, 1903, refunds ordered amounted to but \$5,972.37, while during the past year they amounted to \$20,576.29, both amounts being in United States currency.

DUTIES ON SUPPLIES FOR INSULAR GOVERNMENT.

Under Act No. 875 of the Philippine Commission, passed September 9, 1903, which provides for the collection of duties on goods, wares, and merchandise imported into these islands for the use of the insular, provincial, or municipal governments, the following duties have been collected up to the close of the last fiscal year:

	United States currency.
October, 1903.....	\$4,606. 57
November, 1903.....	6,204. 04
December, 1903.....	5,985. 48
January, 1904.....	4,042. 03
March, 1904.....	25,000. 00
April, 1904.....	30,000. 01
May, 1904.....	6,499. 55
June, 1904.....	25,000. 45
Total.....	107,338. 13

Prior to the operation of Act No. 875 all merchandise imported by the insular government was entered free of duty and included in the report of government free entries.

Of the duty paid by the insular government all except \$75 was paid at the port of Manila. The \$75 excepted was paid at the port of Zamboanga in December, 1903.

By Act No. 1230, passed September 9, 1904, the Philippine Commission amended Act No. 875 so as to allow the free importation of merchandise by the insular government when the articles imported are of such character that local competition therefor is impracticable and orders for the same must be placed abroad.

This latter legislation is in line with the original purpose of Act No. 875.

PECUNIARY PENALTIES.

In the enforcement of the tariff and navigation laws at the port of Manila, pecuniary penalties were collected during the fiscal year ended June 30, 1903, amounting to \$19,030.76 United States currency, and during the fiscal year ended June 30, 1904, amounting to ₱50,361.26 Philippine currency.

The greater number of these fines were for underdeclarations and undervaluations of merchandise, the remainder consisting of fines imposed under the navigation laws and of fines imposed by order of the court of customs appeals and paid into this office under the head of miscellaneous collections.

PHILIPPINE MARINE EXAMINATIONS.

Since the passage, on May 29, 1903, of Act No. 780 of the Philippine Commission, a thorough system of examinations for persons desiring to obtain licenses to act as masters, deck officers, patrons, and engineers has been maintained under the supervision of this office.

Pursuant to section 17 of that act the "board on Philippine marine examinations" has been regularly convened, and is in session at this port at the present writing.

Up to September 10, 1904, the following licenses had been issued by this office as a result of examinations held by said board:

Rank.	Citizens of the—		Total.
	Philip- pine Islands.	United States.	
Masters.....	50	41	91
First mates.....	6	11	17
Second mates.....	11	13	24
Third mates.....	12	2	14
Patrons.....	229	1	230
Chief engineers.....	130	6	136
Do. ".....			27
First assistant engineers.....	81		81
Second assistant engineers.....	84		84
Do. ".....	7		7
Third assistant engineers ".....	63		65
Total.....	702	74	776

^a Limited to rivers and bays.

Up to the same date the following certificates of service had been issued to persons not entitled to licenses:

Rank.	Citizens of—					Total.
	Spain.	Great Britain.	Ger- many.	Sweden.	China.	
Masters.....	78	5		1		84
First mates.....	16	1	1			18
Second mates.....	3					3
Patrons.....	5					5
Chief engineers.....	42	2	1		2	47
First assistant engineers.....	9				1	10
Second assistant engineers.....	4				1	5
Total.....	157	8	2	1	4	172

Upon September 10, 1904, there were 136 applicants awaiting the results of the examination now in progress, as follows:

Masters.....	3
First mates.....	1
Third mates.....	1
Patrons.....	25
Chief engineers.....	9
First assistant engineers.....	23
Second assistant engineers.....	50
Do. ".....	24
Total.....	136

From the above tables it will be seen that there are 948 persons in these islands competent to serve as merchant marine officers, including engineers, at the present time. Of these 702 are Filipinos, 74 are citizens of the United States, and 172 are foreigners entitled to act under "certificates of service."

PERSONNEL.

As was intimated in the first special report of this office, rendered two years ago, one of the unusual difficulties to be overcome in the

^aLimited to lakes, bays, and rivers.

conduct of general office work in these islands is the scarcity of a permanent, trained personnel.

Due to a variety of causes, the clerical force of this bureau in former years practically changed every fifteen months, and the difficulty of giving satisfactory services along the lines of more or less technical work under such circumstances can be better imagined than described.

Practical experience with the office work of this bureau leads to the conviction that in the Tropics the year around more work can be accomplished in a single session of, say, six and a half hours, than in two sessions a day, amounting to nominally an hour more of work. With a double session there is always loss of time in getting under way and stopping, and the long journeys to and from lunch, such as are necessarily made by many of the employees, are extremely fatiguing in the heat of the day, especially in bad weather, and rob the afternoon working hours of their best results.

This bureau operates at present under the single-session rule, and so far as can be ascertained the plan is generally acceptable.

The following table of changes in the personnel of the Manila custom-house during the past fiscal year shows a decided improvement over the average term of service two years ago, when the entire personnel was changing in about one year and three months:

Separations.

Month.	Resigned.	Discharged.	Transferred.	Died.	Number of employees during month.	Number of separations monthly.
1903.						
July.....	9	5	1	1	555	16
August.....	13	11	1	2	579	27
September.....	15	5	1	.....	579	21
October.....	14	7	5	.....	600	26
November.....	21	1	1	.....	591	23
December.....	15	8	3	1	589	27
1904.						
January.....	12	9	2	.....	587	23
February.....	11	9	1	.....	592	21
March.....	12	10	2	.....	599	24
April.....	5	6	3	.....	580	14
May.....	5	7	.....	3	591	15
June.....	19	3	4	1	590	27
Total.....	151	81	24	8	7,032	264

The monthly average of employees for the fiscal year 1904 was 586. During that period the number separated from the service through resignation, discharge, transfer, or death was 264, or 45 per cent of the average monthly force. The entire personnel at this rate would change in about twenty-six and one-half months.

In this connection it is deemed proper to repeat a statement made in the first special report of this office regarding the qualifications necessary in good customs employees:

It is perhaps safe to say that in no other large branch of either the insular or the home government, except, perhaps, the judiciary, do the personal responsibility, loyalty, and integrity of all grades of officers and employees play such an important part as in the customs service, or a similar large revenue-collecting agency. There are many branches of the government in which quite as much, and perhaps more, technical knowledge is required of the ordinary classes of employees, but in hardly any other service is the general combination of skill and integrity so vitally essential as in customs work. In the United States this fact has been recognized by making the customs branch the best paid and best equipped one in the Federal service.

The question of "vacation leaves" under Act No. 1040 of the Philippine Commission, passed January 12, 1904, is one warranting serious consideration by the heads of offices, especially those employing large numbers of persons belonging to the classified civil service.

Said act provides, in substance, that after at least six months' continuous, faithful, and satisfactory service the civil governor or proper head of a department may, in his discretion, grant each officer or employee entitled to the accrued leave provided in section 2 of this act, in addition to such accrued leave, vacation leave of absence with full pay, inclusive of Sundays and of days declared public holidays by law or executive order, for each calendar year of service, at the rate of twenty-one days for employees receiving less than \$1,000 per annum and twenty-eight days for officers or employees receiving \$1,000 or more per annum. Vacation leave must also be taken within the calendar year in which it is earned. Absence of regularly and permanently appointed officers and employees (except teachers) in the Philippine civil service on account of illness shall be charged first against vacation leave and then against accrued leave, until both are exhausted, when further absence is without pay.

In the practical application of the above law in this bureau, especially at the port of Manila, the following situation has arisen:

Since "vacation leave" has replaced "sick leave on pay," officers and employees are naturally loath to request and take their vacation leaves, unless required so to do by illness, until near the end of the calendar year, when the chances of their falling sick during that year are minimized. For instance, the majority of officers and employees who desire to preserve intact their "accrued leave," with a not unnatural foresight, reason that if they take their vacation leave in the first quarter or first half of the calendar year they are still liable to fall sick during the last half or latter months of the year, in which case they would have to draw upon their accrued leave. They therefore continue on duty during the first nine or ten months of the year and count upon getting their vacation leave during the last quarter of the calendar year, when the period during which they might fall sick has been greatly reduced.

The following table, showing the vacation leaves requested and granted to customs officers and employees at Manila up to September 1 of the present calendar year, illustrates the above statements:

	Days.
Maximum allowance of vacation leave during calendar year 1904.....	10, 248
Vacation leaves requested and granted up to September 1, 1904:	
January.....	173
February.....	178
March.....	347
April.....	453
May.....	604
June.....	557
July.....	589
August.....	398
	3, 299
Leaving a total "earned" vacation leave to be taken (if possible) during the remaining four months of the year.....	6, 949

From this it will be seen that over two-thirds of the "earned" vacation leaves is still to be taken, if granted at all, during the remaining one-third of the calendar year. This is an impossible situation

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from the standpoint of an office head charged with maintaining the efficiency of his bureau. In this office, at least, it thus becomes absolutely necessary to refuse the greater part of the vacation leaves still due for this year, especially in view of the reduced personnel provided by the appropriation bill for the present fiscal year. It is true that the law does not give officers and employees an absolute right to vacation leave, but it states that "vacation leave must be taken within the calendar year in which it is earned," and as the understood purpose of Act No. 1040 was to provide for a yearly vacation for employees on the grounds that their health and efficiency demand the same, it is extremely difficult for the head of an office to refuse a request, especially when it is coupled with the statement that the applicant is not feeling well and needs the rest and change to prevent possible serious illness.

This latter question, indeed, makes the proper control of vacation leaves by the head of a large office an especially trying task, since officers and employees who naturally believe themselves entitled under the law to twenty-one or twenty-eight days' leave each year may in many instances (with more or less good faith) remain away from the office on the grounds that they are sick, indisposed, or feeling unfit for duty within the meaning of the expression "absence * * * on account of illness" in section 4, letter (b), of Act No. 1040, which section provides that such absence shall be charged first against vacation leave and then against accrued leave.

Under the former law granting "sick leave with pay," under certain limitations, any alleged illness on the part of an employee was very strictly inquired into, and unless full proof of the same was presented the absence was charged against the employee's accrued leave or his pay was withheld for the time he was absent from work.

Unless, therefore, the same rigid rules as to investigation and proof of illness which were enforced prior to Act No. 1040 are continued in force and applied to persons who have "earned" vacation leave but who have been necessarily refused the same, nevertheless fail to report for duty on the grounds that they are sick or unable to work, it can readily be seen that an office can be seriously crippled, especially during the latter part of the calendar year, by employees who, believing themselves morally entitled under the law to take their vacation leave, will present one reason or another for staying away from duty for varying periods up to the total amount of their vacation leave, thus practically defeating the control and discretion intended to be vested in the head of an office by the terms of Act No. 1040.

Under the present rules an employee entitled to vacation leave may at any time remain away from the office for a period not exceeding the amount of vacation leave due him, and upon his statement that he was ill or otherwise unfit for duty it is necessary for the head of the office to either overlook the absence or to institute an investigation for the purpose of proving that the said employee was not really ill or unfit for duty, but that he was using said statement for an excuse to take his vacation leave.

Viewing the matter even from its most favorable standpoint, the necessity of adopting the latter course certainly interferes with the discipline of a large office and consumes a lot of valuable time which should be devoted to other work.

This office hesitates to recommend any specific remedy to meet this state of affairs, but unless it is deemed advisable to provide that all cases of alleged illness chargeable against vacation leave shall be substantiated in the same thorough way as were cases of alleged illness chargeable to sick leave on pay, in accordance with the law prior to Act No. 1040, it will become necessary for this office to devise some plan to apportion vacation leave by months and to compel employees to whom each particular month is assigned to take their vacation leave within that month or to understand that their failure to do so will deprive them, in all probability, of any vacation leave within the calendar year.

In a large office, however, which employs several hundreds of classified persons entitled to vacation leave, even this system is open to the objections above stated, to wit: Its purpose can be defeated in a number of instances by employees who claim to be ill or otherwise unfit for duty, unless the same full proof of alleged illness is to be exacted in all such cases as was formerly required in cases arising under the "sick-leave" law.

It is believed that this subject is a most important one, and that the maintenance of a high standard of efficiency in any large bureau of the insular government requires that some uniform course be adopted to meet the situation above discussed.

SPECIAL AGENTS.

This division has the fiscal supervision of customs accounts and property; the investigation of the methods of business, conduct, and capacity of customs officers, and all similar matters pertaining to the other work of the customs service throughout the islands. Special agents are authorized and directed to make recommendations to the insular collector of customs regarding all matters coming within the line of their work.

The supervising special agent is stationed at Manila, and the entire archipelago is covered from that office through agents stationed permanently or temporarily in the different collection districts.

A complete set of rules for the guidance of special agents was issued by this office on September 1, 1903, in Manila Custom-house Special Order No. 104, a copy of which is hereto attached, marked "Appendix E."

During the last fiscal year 22 regular detailed inspections of the officers and accounts of coast districts have been made. The entry ports of Cebu, Iloilo, and Jolo have also been examined and checked up. Weekly, monthly, and quarterly inspections of the work and accounts of the various divisions of the Manila custom-house have been made as the occasions required. The special agents have also conducted numerous investigations concerning reported irregularities and the capacity and comportment of customs employees.

This division has also made a number of successful investigations of fraudulent practices resorted to by importers, resulting in the recovery of evaded duties amounting to \$4,728.59 United States money, and the collection of penalties imposed on account of said fraudulent evasions amounting to \$16,593.31 United States money.

One case of frauds perpetrated on the revenues by means of undervalued invoices is now pending at the port of Cebu, the importer being

under bond to appear before the court of first instance of that district at its next regular session.

The division is of great assistance to the insular collector of customs in maintaining uniform compliance with laws and regulations.

SECRET SERVICE WORK.

The work of the secret service division of this bureau has been very effective and valuable during the past year, and a number of seizures of silks, diamonds, oil of anise, and tobacco, which it has been sought to smuggle into the islands, have been made. This division has also assisted in the detection and deportation of illegally landed Chinese persons, and in the detection and arrest of thieves on customs premises.

The maintenance of this division enables the insular collector of customs to reach and minimize a class of offenders which it would be extremely difficult to detect and punish in any other way.

LABOR.

The question of labor in the Philippine Islands has ceased to be a critical one. Despite the gloomy predictions of many thoroughly sincere investigators and writers on the subject, the Filipino laborer has conclusively demonstrated that he is a practicable and dependable element in the industrial development of these islands. In the past two years several immense enterprises have been successfully carried on solely with the aid of Filipino laborers. All goods arriving at or leaving the port of Manila are handled by natives. During the past year the operation of the customs "arrastre plant" has been entirely in the hands of native labor, including the steam tramway and four large steam cranes.

The Filipinos make good clerks, copyists, typewriters, subinspectors, guards, checkers, and, in some instances, excellent fiduciary officers. In the handling of cash, in subordinate positions, they have shown a high degree of accuracy and integrity.

As marine officers and engineers, especially in the latter positions, they have exhibited a skill, fidelity, and courage which entitle them to unstinted admiration.

The chief of the statistical division, who employs a number of native clerks in that most difficult work, has the following to say of the work of the Filipinos:

The native clerks are punctual in attendance, exceptionally observant of office rules, industrious, and painstaking, and never in the least degree insubordinate. They always follow directions to the best of their ability without a murmur of complaint, and it is seriously doubted if the equals of some of them as copying clerks can be found in the Philippine Islands, taking all essentials—neatness, accuracy, and speed—into account. More rapid copyists can be found, but as a rule they fail in other essentials.

Five years' practical experience has served to convince the undersigned that among no other class in the Philippine Islands can one find so satisfactory copying clerks as are the experienced Filipinos under proper treatment.

There are, of course, some difficulties in the handling of native laborers to which those in the United States and Europe have not been accustomed, and to get the best results in this, as in every other class of work, it is necessary to understand the nature of the tools with which the work is to be done. Given, however, reasonable wages, fair treatment, and intelligent supervision, the Filipino laborer has

responded and will respond to predictions which two years ago would have been considered ridiculously optimistic, if not chimerical.

Labor is not yet all that is to be desired, either here or elsewhere, but in the Philippine Islands it has ceased to be an insurmountable obstacle to rapid development.

CHINESE AND OTHER IMMIGRATION.

The Chinese and other immigration into these islands has been regular during the past fiscal year, with the exception of a rather marked increase in the number of Japanese arrived here over those arrived during the fiscal year 1903.

The following table shows the increase in question:

Fiscal year—	Manila.	Philippine Islands.
1903.....	1,072	1,123
1904.....	2,744	2,770

From this it is seen that the number of Japanese immigrants into these islands during the past fiscal year was more than double that of the fiscal year 1903, in spite of the war in which Japan is involved.

From a study of the statistical tables appended to this report it appears that during the period of American occupation of these islands there has been a gain of 8,624 Chinese persons in the population here by reason of excess of arrivals over departures. This is due to the fact that many Chinese left the islands during the insurrection prior to the Spanish-American war and returned when the serious local disturbances terminated after the American occupation.

REGISTRATION OF CHINESE.

The registration of all Chinese persons in the Philippine Islands has been made the subject of a separate report to the honorable secretary of finance and justice, and is hereto attached, marked "Appendix F."

UNIFORMITY OF APPRAISALS.

For the purpose of securing all possible uniformity in classifications and valuations at all entry ports in these islands where an appraiser is permanently stationed, the plan is now being prepared under which all appraisers at subports of entry will be rotated through the port of Manila, appraisers from this port being sent to relieve them for periods ranging from six months to a year.

This plan, together with the continuance of the Weekly Price Current Report described in the last report of this office, will bring the work of appraisers in these islands to a high standard of uniformity and efficiency.

CONSULAR INVOICES.

The advisability of requiring consular invoices on all shipments of merchandise subject to an ad valorem duty or to a duty in any way affected by the value of the goods has been seriously urged upon this

office, especially in case there is any extension of the system of ad valorem duties in the Philippine tariff. Although the requirement of consular invoices would undoubtedly be of great assistance in the appraisal of many classes of goods, it is believed that any plan to exact the same would meet with decided opposition on the part of importers here, and it is believed that the question can well be left in abeyance for the present.

SUPERVISION OF GOVERNMENT VESSELS.

This office most earnestly repeats its recommendation made under this heading in its last report.

The present unsatisfactory status of this matter is the same as at this time last year.

This office desires to reiterate its former statement that—

It is believed, and evidence in the past has substantiated the fact, that good administration demands that all naval transports, colliers, and supply ships be subjected to the same supervision and regulations as are enforced in the case of United States army transports. The efficient administration of the revenue laws, and the credit and reputation of those charged with their enforcement, can not be maintained so long as there is a generally recognized weak link in the chain of supervision. This is especially true in a country like the Philippines, where an absolutely impartial and uniform administration of those laws is not yet freely admitted as a fact.

Opposition to a reasonable supervision by the proper officers of the government over all vessels arriving in the islands from outside ports can not be justified on any known grounds.

INSPECTION OF IMPORTED HOG PRODUCTS.

Complaint has been made to this office against the decided discrimination which actually exists against the hog products of the United States imported into these islands as compared with those imported from China and other countries.

In the United States a meat-inspection law is in force, whereas in China, whence the great bulk of hog meat and lard brought into these islands comes, there is absolutely no inspection or sanitary control, so far as is known.

Comparative statistics show that, roughly speaking, for every pound of ham, shoulders, and lard that comes to these islands from the United States 5 pounds are brought here from China.

It is believed that this state of affairs is extremely unfair to the American industry, and it is earnestly recommended that a law be passed covering a thorough sanitary inspection of all hog products imported into these islands which do not have a satisfactory inspection certificate similar to those issued in the United States.

This inspection could well be made before the products are permitted to enter consumption, but it should be conducted purely as a sanitary measure, by the bureau regularly in charge of such work and not by or under the jurisdiction of the customs service.

Although it may not be deemed advisable to have a "reciprocity treaty" cover United States products coming into these islands, it would seem that mere justice demands that all American goods should be at least on an equally favorable basis with those of other countries.

GOVERNMENT CONTROL OF DISCHARGING ("ARRASTRE") PLANT AT MANILA.

In the last report of this office, under the caption "Government unloading and warehousing of imported goods at Manila," a brief statement was made of the conditions leading up to the determination of the government to purchase and operate the discharging or "arrastre" plant at the Manila custom-house.

Pursuant to that determination, on September 23, 1903, the Philippine Commission appropriated the sum of ₱39,000 for the purchase of the plant and for commencing the operation thereof. On October 16, 1903, this office assumed actual control of the plant, it having already issued a full set of regulations in Manila custom-house General Order, No. 48, published October 12, 1903, and contained in Appendix H of last year's report of this office.

As was also stated in that report, the "running check" which had been in operation for the discharge of many general cargoes arriving in Manila prior to that date, had almost entirely removed the bad conditions which formerly existed at Manila in regard to delays, expense, and difficulty in the unloading of imported merchandise from vessels arriving here.

As a result of the operation of the "arrastre" plant by the government during the past year, it may now be said with equal truth that the bad conditions which formerly existed here in regard to the discharge of lighters, the handling of goods between the wharves and the warehouses, the storage of the goods in the warehouses, and the delivery of same to importers in this city have likewise disappeared.

On taking over the operation of the "arrastre" plant this office fixed a tentative charge to the public for the work equal to that ostensibly charged by the private company formerly operating the plant, but in reality not only was the real proportionate charge collected by that private company for the "arrastre" work actually lowered by a considerable amount, but the public has been given a far superior service in every way, resulting in a saving to the importers of this city of not less than ₱108,000 per year. A conservative estimate shows that the "pasé" charge exacted by the former company amounted to about ₱37,000; that the direct amount saved by the lowering of the wharf delivery rate, on the basis of the present business, amounts to ₱8,300; that the amount saved importers through the present system of wharf deliveries, handling, opening, and packing of sample cases of merchandise, all of which is done by the arrastre division without additional charge, has resulted in a saving of some ₱41,000 per year. Furthermore, on July 1, 1904, this office, by Manila Custom-house General Order, No. 77, reduced the then existing rate of ₱1.50 per ton for warehouse deliveries of merchandise to ₱1.25, a decrease of over 16 per cent, and from ₱1 per ton to ₱0.90 per ton for wharf deliveries of merchandise, resulting in a further actual saving to the importers of this city of ₱22,300 per year.

In addition to the above there have been many indirect savings to the importers and the general public which can not be accurately estimated, due to improved methods of business, the great increase in the amount of goods given wharf delivery, saving various rehandlings thereby, in the abolishment of all discrimination in regard to

the discharge of lighters, cascoes, etc., at the custom-house wharf, and a great saving in the demurrage formerly charged on the lighters and cascoes, which often amounted to more than the actual lighterage bills themselves. It has been estimated that before the government began to operate the "arrastre" plant, lighters and cascoes consumed from three to five days on an average in discharging their goods at the custom-house wharf. Under the present management the average time for the discharge of a lighter is one and a half days.

In spite of the above savings to the public and the immensely superior service which has been given during the past year by the government, the surplus collections, after paying all current expenses, due to the excellent management of the chief of the arrastre division, has been sufficient to reimburse the insular treasury for the entire amount of ₱36,368.39 originally appropriated by the Philippine Commission for the purchase of the plant and commencement of the work thereon. This refundment has been made in less than one year from the date of the appropriation by the government for the purchase of this plant, and in less than eleven months from the date when this office actually commenced the operation of the plant.

Such surplus as may accrue within the next year will, in all probability, be expended for the acquisition of one or two additional high-power, quick-moving cranes and for the gradual replacement of worn-out cars and other equipment.

Attention is invited to the statement made in the first and second annual reports of the honorable secretary of finance and justice as to the conditions formerly existing in regard to the discharge and handling of imported merchandise at Manila.

Great credit is due Mr. Clifford D. Ham, the deputy surveyor of customs in charge of the arrastre plant, who, under the general supervision of the insular surveyor of customs, has had entire charge of this most important work. Attention is invited to his very complete report, which is hereto attached marked "Appendix G."

FISCAL RECORD.

It is considered to be a matter of note that despite the peculiar conditions which have existed in these islands, in the combined collection and disbursement of nearly 50,000,000 pesos by customs officers during the past three years, not one cent has been lost through absconding or defaulting officers.

There have been but two cases of misappropriation of public funds, one of a minor character, and in each instance the offender was promptly detected, prosecuted, and sentenced, and restitution secured of the misappropriated funds.

Former Deputy Collector Stuart, of the port of Iloilo, disappeared on February 22, 1902, taking with him certain retained papers in regard to his disbursing accounts. A special agent of this office was promptly sent to investigate the case, in company with an agent of the auditor's office. These officers reported that Stuart could be prosecuted on several charges, principally for the falsification of public documents. This office promptly took steps to locate Stuart, who was last heard of in Baton Rouge, La., and to secure his extradition.

As a result of this course the civil governor of the Philippine

Islands made requisition for Stuart on the governors of Texas, New Mexico, Arizona, California, and Louisiana.

He was captured in San Antonio, Tex., in June of this year by a United States secret service agent. He was returned to these islands in custody and sent to Iloilo, where his trial for falsification of public documents—one of the counts against him—has just been concluded. No decision has yet been rendered.

In the trial it developed on his own testimony that Stuart was an ex-convict, he having served a term in California for embezzlement. Prior to his last arrest he had again enlisted in the United States Army.

Evidence tends to show that Stuart also misappropriated a small amount in connection with his disbursing accounts, which loss, however, if proved, is amply secured by his official bond.

PROPORTION OF FILIPINO EMPLOYEES.

Pursuant to the policy of employing Filipinos as far as practicable in the different branches of work belonging to this bureau, the following table, showing the port of Manila by fiscal years from the date of American occupation, is of interest:

Fiscal year ending June 30--	Classified.						Total employees.	
	Salaries, over \$1,200.		Salaries, \$1,200 and under.		Total.		Unclassified (Filipino).	
	Ameri-can.	Fili-pino.	Ameri-can.	Fili-pino.	Ameri-can.	Fili-pino.		
1899.....	4		16	48	20	48		48
1900.....	8		45	92	53	92		92
1901.....	21	1	94	186	115	187	74	261
1902.....	48	2	120	204	168	206	111	317
1903.....	68	2	132	200	200	222	98	320
1904.....	75	2	144	216	219	218	173	391

As will be seen from the above, in the fiscal year 1904 there were 219 American employees and 218 Filipinos belonging to the classified civil service. There were also 173 Filipinos belonging to the unclassified service.

Of the total employees at this port, therefore, in the fiscal year 1904, 219 were Americans and 391 were Filipinos.

CONCLUSION.

As most of the recommendations for legislation or provisions for the betterment of the service are made at the time when the questions to which they pertain arise, it has been considered unnecessary to include or repeat in this report any but the most important matters which require attention.

Respectfully submitted.

W. MORGAN SHUSTER,

Collector of Customs for the Philippine Islands.

Hon. HENRY C. IDE,

Secretary of Finance and Justice,

Philippine Commission, Manila.

APPENDIX A.

**COMPARATIVE STATISTICAL SUMMARIES PREPARED FOR USE IN THE THIRD
SPECIAL REPORT OF THE COLLECTOR OF CUSTOMS FOR THE PHILIPPINE
ISLANDS FOR THE FISCAL YEAR 1904 AND PREVIOUS PERIODS.**

MANILA, *September 1, 1904.*

SIR: In compliance with your instructions, I have the honor to submit herewith a series of comparative statistical summaries showing customs transactions in the Philippine Islands during the period of American occupation—August 20, 1898, to June 30, 1904.

The statistical tables cover receipts and expenditures, imports and exports, navigation, emigration, immigration, and coastwise trade, with explanatory notes of the various tables.

Respectfully,

SETH. P. MOBLEY,
Chief, Consular and Statistical Division.

The COLLECTOR OF CUSTOMS FOR THE PHILIPPINE ISLANDS, *Manila.*

Customs receipts and expenditures by ports for the fiscal years 1899 to 1904.

RECEIPTS.

Port.	1899.	1900.	1901.	1902.
Manila.....	\$2,777,666.75	\$4,707,658.28	\$2,628,005.73	\$7,250,809.85
Cebu.....	130,442.42	316,079.77	498,860.33	550,676.42
Iloilo.....	198,271.17	481,477.29	735,172.75	612,128.95
Jolo.....		27,055.89	87,395.22	61,074.36
Siasi.....		6,010.26	14,704.64	10,298.13
Zamboanga.....		4,007.62	18,674.58	43,136.30
Aparri.....				814.11
Puerto Princesa.....				
Cape Melville.....				
Bongao.....				
Balabac.....				
Total.....	3,106,380.34	5,542,289.18	8,982,813.85	8,528,938.12

Port.	1903.	1904.	Total.
Manila.....	\$7,867,271.64	\$7,131,379.86	\$37,357,792.11
Cebu.....	829,486.09	634,817.03	2,960,362.66
Iloilo.....	702,686.21	604,652.27	3,344,388.67
Jolo.....	74,266.57	76,076.05	325,868.09
Siasi.....			31,013.03
Zamboanga.....	65,396.92	41,120.20	172,335.62
Aparri.....	6,599.46	1,592.41	9,005.98
Puerto Princesa.....		1,718.77	1,718.77
Cape Melville.....		545.28	545.28
Bongao.....		1,223.00	1,223.00
Balabac.....		743.39	743.39
Total.....	9,540,706.92	8,433,868.26	44,194,996.67

EXPENDITURES.

Port.	1899.	1900.	1901.	1902.
Manila.....	\$29,170.57	\$76,080.14	\$170,763.19	\$345,903.99
Cebu.....	1,914.80	16,362.35	14,255.18	21,029.99
Iloilo.....	1,538.87	5,925.47	34,065.87	47,545.69
Jolo.....		2,473.06	5,500.27	7,933.46
Siasi.....		650.67	2,002.24	2,123.61
Zamboanga.....		1,901.45	4,426.44	6,252.18
Aparri.....				810.24
Puerto Princesa.....				
Bongao.....				
Balabac.....				
Cape Melville.....				
Total.....	32,624.24	103,393.14	231,050.89	433,589.16

Port.	1903.	1904.	Total.
Manila.....	\$102,405.17	\$476,582.55	\$1,500,212.61
Cebu.....	21,120.95	31,501.43	111,193.40
Iloilo.....	38,345.31	30,088.84	157,520.05
Jolo.....	9,865.29	10,812.68	36,584.86
Siasi.....			4,783.52
Zamboanga.....	9,201.35	8,982.22	30,856.64
Aparri.....	4,056.60	853.00	5,719.84
Puerto Princesa.....		1,672.84	1,672.84
Bongao.....		1,533.87	1,533.87
Balabac.....		1,430.26	1,430.26
Cape Melville.....			
Total.....	488,086.67	563,463.79	1,852,207.89

Gross receipts include all customs collections at entry ports, including refundable export duty on hemp exported direct to the United States for consumption there, duty paid by the insular government collections at coastwise ports not included. Total expenditures include all salaries and wages, permanent repairs, and expense of maintenance of customs revenue-cutter service.

Comparative summary of imports into the port of Manila, P. I., by countries, during the three fiscal years ending June 30, 1904.

[Values and duties expressed in United States currency.]

Countries.	1902.		1903.		1904.	
	Values.	Duties.	Values.	Duties.	Values.	Duties.
United States.....	\$3,787,499	\$861,235	\$3,772,944	\$784,654	\$4,548,858	\$799,847
East Indies (French).....	3,098,204	545,470	4,598,955	747,031	6,428,366	916,407
England.....	4,401,008	1,184,105	4,269,477	1,182,825	3,489,537	843,527
Chinese Empire.....	2,230,172	616,367	3,885,228	805,290	3,057,592	598,150
Spain.....	2,218,537	618,993	2,416,536	695,572	1,900,694	516,032
East Indies (British).....	3,522,303	598,121	1,749,749	435,466	1,921,907	488,152
Germany.....	2,147,418	472,114	1,868,712	523,681	1,487,306	394,114
Hongkong.....	9,453,187	111,782	1,247,435	173,183	684,312	91,885
France.....	1,479,569	245,979	1,154,140	324,188	1,131,210	279,206
Mexico.....			875,245		207,004	
Japan.....	774,622	232,841	607,200	189,697	713,227	224,481
All other Asia, Siam.....	448,107	66,950	565,629	77,156	803,642	107,565
British Australasia.....	487,926	43,365	588,518	38,089	1,058,944	52,009
Switzerland.....	852,674	190,969	451,516	116,746	422,129	98,965
Russia.....	127,814	78,949	142,556	72,956	123,650	49,427
Scotland.....	584,539	129,339	166,522	44,531	107,269	31,532
Belgium.....	238,267	56,336	215,638	52,893	272,000	51,471
Netherlands.....	140,904	72,419	138,219	91,288	76,584	59,340
Italy.....	181,610	58,755	146,374	49,480	111,361	38,391
Austria-Hungary.....	121,510	29,590	93,184	29,488	86,375	30,627
East Indies (Dutch).....	30,650	5,014	71,890	19,979	2,165	522
Ireland.....	8,315	2,070	8,577	2,336	3,516	899
British Columbia.....	29,576	5,538	7,717	3,763	2,123	31
Quebec, Ontario, etc.....	21,163	12,956	5,651	3,492	6,926	3,602
Denmark.....	5,145	749	6,733	766	4,439	456
Sweden and Norway.....	2,845	142	4,478	582	1,990	197
British China.....	201,342	14,833	3,755	893		
Egypt.....	3,040	1,663	3,468	1,757	3,607	2,333
Turkey in Asia.....	249	360	813	425	2,080	1,133
Portugal.....	414	173	295	180		
Canary Islands.....			295	81		
Nova Scotia, etc.....			123	14		
Cuba.....	23	3	27	6		
West Indies (British).....	3,264	910	29	32		
French China.....	1,938	443				
Guam.....	656	203				
Korea.....	245	36				
East Indies (Portuguese).....					194	
All other Asia, Persia.....					35,849	16,313
Duty on reliquidation.....						756
Total.....	36,604,675	6,288,972	29,097,688	6,438,450	28,784,236	5,698,125

NOTE.—The foregoing table of imports into the port of Manila during the three fiscal years ending June 30, 1902-1904, showing values and duties by countries, is a summary of monthly reports on Form 3, division of customs and insular affairs.

The summary does not include merchandise imported free of duty by the United States Government or for the use of any of the branches of the insular government. Other duty-free merchandise is included, also gold, silver, and paper currency, shown in detail in a table following, under the head of "Imports by articles."

In all tables showing import values and duties fractions of dollars are omitted.

In the value of imports the United States, as compared with the previous year, rises from fourth to second place, French East Indies taking first place on account of the extensive imports of rice therefrom, and England dropping from first place in 1902 to third place in 1904, and the Chinese Empire dropping from third place in 1903 to fourth place in 1904.

Comparative summary of imports into the Philippine Islands, by countries, during the three fiscal years ending June 30, 1904.

[Values and duties represented in United States currency.]

Country.	1902.		1903.		1904.	
	Values.	Duties.	Values.	Duties.	Values.	Duties.
United States.....	\$4,035,243	\$912,525	\$4,108,944	\$842,568	\$4,843,207	\$849,209
England.....	4,877,911	1,303,702	4,903,270	1,310,712	3,351,054	916,868
Hongkong.....	9,833,748	146,407	1,574,156	206,779	770,393	108,487
East Indies (British).....	3,721,597	654,231	2,257,382	363,731	2,577,440	627,405
East Indies (French).....	3,211,329	573,071	5,629,063	902,402	9,357,048	1,321,047
Chinese Empire.....	2,689,934	737,841	4,717,617	1,001,478	3,278,295	665,916
Spain.....	2,396,611	703,386	2,621,196	729,471	2,017,293	532,272
Germany.....	2,356,518	515,612	1,998,922	556,706	1,600,878	421,512
French China.....	1,399,705	305,982	1,305,358	219,965	.....	.....
France.....	1,324,548	256,998	1,182,901	334,440	1,180,501	235,133
Japan.....	922,269	272,927	701,347	121,571	843,314	274,313
Switzerland.....	882,651	198,018	480,612	122,149	479,585	109,215
Scotland.....	615,490	140,585	259,887	61,543	179,381	43,538
All other Asia.....	527,795	80,101	633,846	87,053	1,037,581	150,981
British Australasia.....	326,654	48,986	618,140	40,795	1,101,092	5,590
Belgium.....	213,224	57,310	218,985	54,181	275,262	52,464
Russia.....	201,611	144,139	286,876	133,888	238,772	93,799
British China.....	201,537	14,962	4,019	954	.....	.....
Italy.....	186,116	60,366	119,512	50,490	118,316	40,316
Netherlands.....	158,684	86,922	163,405	117,801	91,264	76,628
Austria-Hungary.....	126,076	30,990	105,089	32,764	92,557	32,701
East Indies (Dutch).....	77,765	20,500	83,105	23,038	18,399	5,741
British Columbia.....	25,576	5,538	7,717	3,763	.....	31
Mexico.....	25,000	.....	875,245	.....	297,004	.....
Quebec, Ontario, etc.....	22,535	13,625	7,121	4,453	8,310	4,360
Ireland.....	8,447	2,081	8,577	2,336	3,516	899
Denmark.....	5,145	749	6,734	796	4,699	556
West Indies (British).....	3,736	1,191	29	32	6	3
Sweden and Norway.....	3,426	275	5,133	757	2,015	226
Korea.....	937	71	276	42	247	37
Egypt.....	3,242	1,740	3,761	1,904	3,700	2,417
Portugal.....	729	351	295	180	7	1
Guam.....	656	203	.....	.....	.....	.....
Gibraltar.....	783	227	.....	.....	.....	.....
Turkey in Europe.....	257	361	.....	.....	.....	.....
Cuba.....	23	3	105	118	2,082	1,133
French Oceania.....	5	3	.....	.....	.....	.....
West Indies (French).....	1	1	.....	.....	.....	.....
Brazil.....	.....	.....	21	3	.....	.....
Canary Islands.....	.....	.....	285	81	.....	.....
East Indies (Portuguese).....	.....	.....	.....	.....	194	.....
Duty on reliquidation.....	.....	.....	.....	.....	.....	756
Nova Scotia.....	123	14	.....	.....	.....	.....
Total.....	41,104,944	7,291,916	35,099,835	7,678,948	34,327,481	6,736,505
Free of duty.....	11,225,891	.....	3,765,813	.....	2,714,183	.....
Dutiable.....	29,879,050	.....	31,333,992	.....	31,613,298	.....

NOTE.—The foregoing table, showing value of merchandise imported into the Philippine Islands during the three fiscal years 1902, 1903, and 1904, together with the duties collected thereon, is a summary of monthly reports on Form 3, division of customs and insular affairs for all entry ports in the Philippine Islands, in which fractions of dollars are omitted for each item imported from each of the forty-two countries from which imports are shown.

The values include free-of-duty merchandise and gold, silver, and paper currency, but do not include United States Government nor insular government free entries, which are reported on a separate form.

In the imports for the Philippine Islands the countries hold about the same relative positions as in the table of imports for the port of Manila, East Indies (French) first, United States second, England third, and Chinese Empire fourth place. In 1902 Hongkong held first position on account of the extraordinary imports of silver coin from said port in that year.

Value of merchandise (currency included) entered free of duty during the three fiscal years ending June 30, 1904, by ports.

[Represented in United States currency.]

Port.	1902.	1903.	1904.
Manila.....	\$10,845,244	\$3,484,926	\$2,676,118
Cebu.....	307,928	27,497	22,127
Iloilo.....	32,240	230,245	12,663
Jolo.....	33,777	813	664
Siasi.....	6,654		
Zamboanga.....	51	22,562	3,122
Bongao.....			
Puerto Princesa.....			66
Cape Melville.....			
Balabac.....			23
Total.....	11,225,894	3,765,843	2,714,183

Summary of merchandise (currency included) entered free of duty during the three fiscal years ending June 30, 1904, by countries.

[Represented in United States currency.]

Country.	1902.	1903.	1904.
Hongkong.....	\$9,220,817	\$1,062,585	\$39,715
Chinese Empire.....	61,582	1,695,522	850,568
Mexico.....	25,640	875,245	297,064
United States.....	64,310	238,158	423,626
Japan.....	143,879	156,076	199,769
East Indies (British).....	1,295,807	143,692	51,466
Australia.....	159,887	127,762	269,698
Spain.....	34,729	57,374	42,498
East Indies (Dutch).....	1,415	15,853	348
Siam.....	66	13,966	16
England.....	63,037	10,970	6,337
Italy.....		9,295	9,628
East Indies (French).....	2,608	5,967	154,524
France.....		5,473	4,495
Netherlands.....		4,464	
Germany.....	19,827	1,242	2,443
Belgium.....	1,992	883	
Switzerland.....	69	796	1,852
French China.....	24	327	
Scotland.....	1,445	183	
Austria-Hungary.....		70	152
British China.....	150,600		
East Indies (Portuguese).....			194
Total.....	11,225,894	3,765,843	2,714,183

NOTE.—The foregoing tables do not include merchandise imported free of duty by the United States or insular governments for the use of the Army, Navy, and various branches of the insular government.

A marked decrease in the importation of duty-free merchandise during the fiscal year 1904, compared with previous years, is attributable mainly to the great falling off in importations of Mexican currency. The above shows that the merchandise admitted duty free comes chiefly from the Chinese Empire, the United States, Hongkong, Mexico, and Japan, in the order named. From the Chinese Empire the duty-free imports are chiefly Mexican coin, fresh meat, vegetables, fresh fruit, and produce; from Hongkong, chiefly Mexican coin, vessels, fresh meat, fresh fruit, and vegetables; from Australia, chiefly fresh meat and vegetables; from Mexico, exclusively Mexican silver dollars; from Japan, vegetables, fresh fruit, and produce; and from the United States, United States currency, vegetables, fresh meat, fresh fruit, books, maps, etc.

IMPORTS BY ARTICLES.

The following table, showing the imports into the Philippine Islands by articles by fiscal years during the period of American occupation, affords opportunity for comparison of all articles imported in accordance with the prescribed schedule for the period of six years. The table shows both values and duties in a way to make comparison easy.

For the purpose of facilitating the analysis of the table, the totals of the more important groups are given and each class of articles can be readily compared.

Rice imports.—The leading article of import is rice, the importation of which has shown a steady and remarkable increase year by year since the date of American occupation. The importation during the fiscal year 1899 reached a value of only \$1,938,932; the next year it reached \$3,186,198; in 1901 it reached \$5,490,958; in 1902, \$6,578,481; in 1903, \$10,061,323, and in 1904 it reached the limit of \$11,548,814 (not including the quantity imported free of duty by the United States and insular governments), an amount not only greater than any other article, but greater than any other group of articles, including manufactures of cotton.

This drain upon the resources of the islands for a necessary article of food which in former years was produced not only in quantities sufficient for home consumption, but in considerable quantities for export, must, if the increase of the import be maintained, have a telling effect upon the prosperity of the Philippine Islands.

The aggregate value of rice imported during the period of six fiscal years reached the sum of \$38,804,706 United States currency, not including the value of rice imported free of duty by the government, the said figures representing only the invoice value of the rice in the country from which imported, not taking into account duty, freight, and other expenses incidental to placing it upon the market here. In 1904 the aggregate quantity of rice imported duty free by the government was 7,798,809 pounds.

Cotton manufactures.—Manufactures of cotton stand next in importance to rice, showing a value of \$4,962,354 during the fiscal year 1904 as against \$6,284,370 during the previous fiscal year, a decline of \$1,322,016.

The aggregate value of cotton manufactures imported during the past six years was \$36,384,957, the highest point, \$9,441,047, being reached in the fiscal year 1901, that being almost twice the value imported in the year 1904, which, with the single exception of the fiscal year 1899, is the lowest during American occupation.

Breadstuffs.—The total of breadstuffs imported during the fiscal year 1904 reached \$1,096,332, that being less than one-tenth of the value of rice imported during the same period. Wheat flour imported in 1904 shows a value of only \$842,908, and yet that was the greatest amount imported in any one year, flour having shown a gradual increase year by year. The importation of rice and flour in 1904 was about thirteen to one, whereas in the year 1899 the importation of rice was but a little more than four times the value of flour imported.

Opium importation.—The importation of opium has shown considerable increase during the period of American occupation, the greatest value, \$819,020, being reached during the fiscal year 1902, just prior to the taking effect of the increased tariff on opium. During the past six years the aggregate value of opium imported amounted to \$3,662,059, the said value being \$195,407 greater than the value of flour imported during the same period.

The importation of manufactures of hemp, flax, etc., has been fairly uniform in value during the six years, the greatest value being reached in 1902, there being a gradual falling off since that year.

Hardware.—The importation of hardware increased to a considerable extent from year to year, the value of 1904 being about three times that of 1900. There was also a considerable increase in the importation of machinery of various kinds and in manufactures of iron and steel, the aggregate of which reached the sum of \$2,412,936 in the year 1904, that being the greatest value imported in any one year.

Lard.—The importation of lard has increased from \$15,635 in 1899 to \$262,140 in 1904, the increase having been marked each year.

Beer.—The importation of beer in bottles has fallen off from \$1,030,698 in 1901, the highest limit reached, to \$269,697 in 1904, this being but little more than one-fourth of the 1901 figure.

Wine and spirits.—The importation of distilled liquors has varied but little from year to year, much less than has malt liquors. The highest point was \$411,859 in 1901. Since 1901 there has been a gradual decline until the value reached \$227,578 in 1904, that being the lowest point since 1900. In the importation of wines there has been a gradual decline from \$490,561 in 1899 to \$266,663 in 1904. The total importation of wines, malt liquors, and spirits in 1904 was of the aggregate value of \$804,652, and for the first time during American occupation the aggregate value of liquors imported falls below the value of flour imported, which for said year was \$842,908.

Live animals.—The total value of live animals imported in 1904 was \$918,864, that being the greatest value imported in any one year since the American Government assumed control.

Coal.—In the reports of earlier years the importation of considerable anthracite coal was shown, but as a rule that was the result of improper statistical classification, as very little, if any, anthracite coal is used or has been imported into the Philippine Islands; hence

nearly all of the coal imported, if properly credited, should be placed under the head of bituminous. There were other errors in statistical classification in the earlier part of American occupation.

Since October 1, 1903, merchandise imported by and for the use of the insular government has been included in the regular reports on Form 3, and thus forms a part of the total value of merchandise imported during the fiscal year 1904, as shown in this summary, whereas prior to that date merchandise imported by the government was excluded from said reports, being taken up on separate reports with importations duty free for the United States Government. The value of merchandise imported by the insular government since October 1, 1903, to the close of the fiscal year 1904 was as follows, the duties collected thereon being separately reported elsewhere:

October, 1903. (No value given.)	
November, 1903.....	\$27, 427
December, 1903.....	23, 674
January, 1904.....	19, 313
February, 1904.....	900
March, 1904.....	123, 684
April, 1904.....	158, 486
May, 1904.....	38, 057
June, 1904.....	150, 947
Total.....	542, 488

MEXICAN CURRENCY.

The silver currency imported and exported, and the consideration of the effect thereof upon trade, has been the cause of deepest concern to all who were interested in the present and future of the Philippines. It can be safely asserted that no other one agency exerted so much influence toward discouragement of permanent investment in the Philippine Islands as that of the unstable currency. Until the time of the recent substitution of the Philippine peso as a measure of value, the Mexican silver dollar was the coin in general use and the unit measure of value in all business transactions, and as it had in itself no established or fixed value, frequently rising or falling as much as 10 per cent from morning to night, it is not difficult to see that the effect must prove disastrous to permanent business investments and detrimental to the prosperity of the islands. In the early part of American occupation the Mexican silver coin was in general use at a ratio of 2 pesos for \$1 of United States currency, at times falling slightly below and for a short time rising slightly above that point. During the Boxer troubles in China there was an unusual demand for Mexican coin, followed by an unusually heavy exportation thereof to Hongkong, and it was during this period that it was deemed necessary to place an export duty on this silver coin, which was done to check its exportation from the islands, but immediately following the Boxer disturbances in China there came about such a fluctuation in the value of Mexican coin as shattered all business calculations. The Chinese Government required gold-basis currency to settle indemnity obligations and came to this market with its Mexican silver to purchase the United States currency, which found its way here in large quantities through payments to army and navy officers and men and other United States obligations.

The importation of Mexican silver to be used for this purpose reached about \$20,000,000 Mexican in the fiscal year 1902, and the price paid for United States currency varied from \$2 to \$2.70 for \$1 United States currency during the year. The insular government from time to time sought to secure some semblance of stability in the currency by fixing the rate at which it should be received for government exactions, and under ordinary conditions that would have been sufficient and effective, but not so here, the street value being sometimes below and sometimes considerably above the established government rate. When the street rate was higher than the government rate for Mexican silver all duties would be paid in United States currency, and when the reverse was true all duties would be paid in Mexican silver, and cart loads of it would be sent to the treasury daily. During the fiscal year 1902 the volume of Mexican silver became so great in Manila that the banks gave notice that they would no longer receive it on deposit from their customers, and for a time it was necessary to store the same under counters and in out-of-the-way places in boxes and sacks about the business houses much in the same manner as a merchant would store salt or nails. It can well be imagined that such a condition was not conducive to a healthy commercial system, but on the contrary was extremely demoralizing, in that it placed all business ventures upon a gambling basis.

Happily that condition of affairs has terminated in the driving out of the unstable currency and the substitution thereof of the insular currency with a stable and fixed value on a

gold basis, giving assurance to business men that there will be no depreciation of 10 per cent in their capital in a night while they sleep. No similar financial condition has even been witnessed in the United States since the era of the "wildcat" banks in the fifties and the era of the greenback during the civil war, which rose and fell, measured by gold, in accordance with the tenor of the news of the result of important battles. The people who have never passed through similar experiences can scarcely realize the dire effect of such a demoralizing agency. While the government rate for Mexican silver could be changed once in ten days, the street rate could be changed at any moment upon receipt of a cablegram from Hongkong, or at the will of the money changers, and the rate frequently changed two or three times during the day. No ordinary article of commerce, measured by gold, fluctuated to anything like the extent that the Mexican money did. With the exception of rice, most articles of importation were purchased in gold-basis countries, to be paid for in gold or its equivalent, whereas the selling price was invariably in Mexican currency, making it necessary, on account of currency conditions existing here, to change prices almost daily or sell at a loss or exact exorbitant profits, according to the tenor of the fluctuation of the value of the coin in general use here. An article which could be sold at \$2.10 to-day with a reasonable margin of profit would be sold at a loss if sold at that figure to-morrow, and in the very nature of things business men were driven to fix their prices in gold and then accept the local currency at the market price of to-day, and then with no assurance that that currency would not greatly depreciate before to-morrow if not disposed of to-day. With such a financial condition existing for three years, it is a wonder that the influence was not absolutely ruinous to legitimate trade and investments in enterprises of any great magnitude, and it is a source of gratification to all that the financial skies are clearing through the departure of that chief source of disturbance, the Mexican dollar.

EXPORTS AND IMPORTS.

During the period of American occupation the imports into the Philippine Islands, exclusive of the item of currency, have exceeded the exports to the amount of \$16,618,294, thus showing that the islands have been drained to that extent, and in addition the expense of freight and other charges incident to landing the articles imported into the Philippine Islands, as, except the original selling price, the people of the islands receive nothing for the articles of manufacture and produce exported. This drain upon the resources of the islands has, however, been more than compensated by large quantities of money brought in and paid to United States Government troops and expended here, said amount having in fact been much larger than the drain by reason of excess of imports over exports.

Imports, by articles, during period of American occupation, by fiscal years.

[Value and duty represented in United States currency.]

No.	Articles.	1899.		1900.		1901.		1902.		1903.		1904.	
		Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.
1	Agricultural implements:												
2	Mowers, reapers, and parts of												
3	Plows and cultivators, and parts of												
4	All other, and parts of.												
5	Aluminum.												
6	Animals:												
7	Cattle.	\$6,950	\$1,244	\$129,176	\$1,162	74,215	575	482,846	52	729,004	52	834,560	29,402
8	Horses.	1,400	242	9,718	2,336	5,041	650	23,500	247	27,197	5	54,349	2,755
9	Mules.			3,000	263					9,322		18,597	380
10	Hogs.	104	31	98	19	856	262	586	82	3,797	458	1,436	126
11	Sheep.	4,194	216	50	3	2,342	9	4,145	23	2,275	215	5,850	565
12	All other.	676	41	1,413	9	3,587	31	2,000	347	8,871	213	4,072	1,699
13	Articles brought in baggage.					3,087	2,364	3,335	3,600	2,518	10,248	617	1,366
14	Art works, etc.					353	26	3,335	314	553	147	1,373	363
15	Bones, hoofs, horns, etc.					41,951	13,537	32,979	13,375	24,111	22,363	18,415	11,401
16	Bark, tanning.							150	2				
17	Blacking.												
18	Stove polish.							66	7	23	5	24	7
19	All other.	3,349	589	17,024	481	2,467	361	7,606	1,450	15,486	2,747	9,366	1,281
20	Books, music, maps, etc.:												
21	Books, maps for use in schools	54,211	9,761	350,359	32,091	13,304	2,696	22,418	960	28,844	1,424	129,092	145
22	All other, etc.					51,869	11,461	80,586	11,352	78,402	6,698	134,021	14,105
23	Brass, pigs, bars, etc.					94,603	15,175	1,968	212	12,334	1,032	10,783	1,058
24	Brass, manufactures of.							122,527	18,554	90,981	22,019	165,592	52,358
25	Breadstuffs:												
26	Bread and biscuit.												
27	Barley.	5,040	1,119	28,345	1,622	110,923	20,548	36,325	7,578	96,035	16,168	48,696	8,787
28	Bran, middlings, etc.	22,692	1,919	40,475	6,800	46,987	2,311	69,314	4,154	19,210	56	46,616	51
29	Corn.			63	70	2,252	132	1,879	578	19,231	407	46,900	1,002
30	Corn meal.			324	62	45	4	252	78	47	2	1,066	17
31	Oats.			29	3	76	5	103	12	164	16	273	64
32	Outmeal.	11	3	87		1,781	215	3,727	370	9,655	273	46,115	1,614
33	Macaroni and vermicelli.					583	215	1,455	148	3,272	514	4,237	376
34	Wheat.	3,960	637	3,644	1,056	63,988	16,217	88,621	24,698	71,636	26,990	77,305	28,896
35	Wheat flour.	371,011	74,728	399,098	172,176	50,199	186,617	685,970	126,052	683,360	70,200	842,908	73,372
36	Preparation of.			213,304	58,998	11,234	3,710	2,867	2,101	2,367	1,291	14	7
37	All other.	57,066	11,142	11,276	3,669	5,342	1,446	28,251	6,702	26,011	6,447	27,810	5,871
38	Total breadstuffs.	459,630	89,548	697,068	184,446	746,187	232,071	923,540	172,587	912,087	122,400	1,036,332	120,019

[illegible]

Imports, by articles, during period of American occupation, by fiscal years—Continued.

No.	Articles.	1899.		1900.		1901.		1902.		1903.		1904.	
		Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.
Chemicals, drugs, and dyes:													
70	Acids.....			\$14,788	\$2,544	\$15,329	\$1,986	\$16,220	\$1,166	\$14,268	\$1,061		
71	Ashes, pot and pearl.....			106	54	428	41	9,162	568	4,359	258		
72	Copper sulphate.....			415	14	235	28	235	40	33	2		
73	Dyes.....	\$2,760	\$362	\$1,430	\$294	4,236	403	7,810	748	9,838	1,528		
74	Mineral waters.....	1,400		23,289	1,807	26,265	633	69,273	390	47,940	1,102		
75	Medicines, patent, etc.....			17,428	8,251	10,162	4,213	25,019	7,553	25,182	7,345		
76	Optum.....	255,310	64,586	476,244	152,392	819,625	263,406	721,551	357,575	770,366	338,422		
77	Roots, herbs, etc.....			4,889	355	11,038	1,365	24,494	3,371	17,470	2,736		
78	Quinine, etc.....			14,771	5,998	7,133	1,024	8,327	1,223	5,308	1,223		
79	Vanilla beans.....			219,283	41,633	173,223	34,548	224,336	44,694	228,727	43,267		
80	All other.....			39,046	33,178	91,703	44,766	93,766	62,424	39,303	28,459		
81	Earthen and stone ware.....			38,525	22,187	54,186	28,188	50,188	29,228	31,016	18,611		
82	China ware.....	137,580	24,535	131,404	36,081	276,085	1,041	294,414	725	282,074	639		
83	Eggs.....	15,773	1,731	302,510	677								
84	Fertilizers.....												
85	Natural.....			7,579	200	78	2	636	5				
86	Manufactured.....	400	5	21,651	562	20,192	539	25,005	181	29,550	215		
87	Fireworks.....			19,753	520	1,217	1,308	14,439	18,776	4,949	5,754		
88	Fans.....				2,180	22,757	5,105	23,067	10,706	11,972	5,343		
Fibers, vegetable:													
89	Esparto, rushes, etc.....			29,768	5,716	44,303	11,142	73,828	28,033	64,513	23,764		
90	Flax, hemp, etc., raw.....			796	157	1,437	445	512	94	155	12		
Manufactures of —													
91	Yarns and twines.....			14,408	4,119	13,331	3,623	21,437	5,898	17,570	4,915		
92	Bags for sugar.....	476	59	125,919	24,151	55,376	14,147	12,049	6,808	380	1,627		
93	Carpets.....	58,283	9,538	228	194	1,985	906	1,009	325	839	205		
94	Cordage and rope.....			42,882	7,113	38,660	6,115	21,869	4,644	33,527	7,322		
95	Cloths and damasks.....	14,683	3,377	30,579	5,308	160,157	33,309	153,022	39,824	162,477	23,784		
96	Velvets and plushes.....					421	262	173	40	40	18		
97	Knitted goods.....					3,246	693	1,241	347	233	95		
98	Tulles and laces.....					6,882	2,303	5,522	154	1,075	90		
99	Wearing apparel.....					5,633	915	5,987	5,308	5,305	1,324		
100	All other.....	129,307	29,585	105,940	29,789	91,340	22,235	39,177	14,879	33,257	11,641		
Total fibers, vegetable.....													
		202,919	42,379	204,674	52,237	301,139	84,953	257,648	75,520	194,957	51,233		
Fish, including shellfish:													
101	Fresh, other than salmon.....			2,813	5	1,965	26	1,898	65	310	22		
102	Dried, smoked, or cured— Cod, haddock, etc.....			8,190	2,360	13,776	1,245	11,867	1,066	14,337	800		

98	Herring.....	437	203	701	118	520	82	1,032	159
99	Pickled.....	36,966	15,029	33,008	6,287	24,010	2,702	22,440	2,795
100	Mackerel.....			276	55	400	48	302	32
101	All other.....	148	87	6,554	1,127	8,526	1,325	4,189	480
102	Salmon.....								
103	Canned.....	2,405	1,026	80,622	19,958	71,971	17,554	30,019	11,086
104	All other.....	2,457	1,384	3,800	969	4,761	835	3,302	964
105	Canned fish, other than salmon and shellfish—								
106	Caviar.....	103	11	1,494	960	1,177	304	1,757	217
107	Shellfish—	56,917	49,666	107,450	20,655	207,186	52,223	88,323	24,058
108	Oysters.....	908	369	4,555	1,305	7,201	1,147	7,030	1,447
109	All other shellfish.....	57,731	6,629	76,848	7,391	67,943	7,275	54,713	6,237
110	All other fish, and fish products	1,925	727	40,004	9,012	24,936	3,737	1,085	1,985
111	Fodder.....			10,099	376	14,049	210	62,718	1,480
112	Fruits and nuts:								
113	Fruits—								
114	Apples, dried.....	330	185	1,038	370	40	3	205	13
115	Apples, green or ripe.....	934	13	13,958	10	5,051	3	9,289	16
116	Prunes.....	60	687	16,373	1,374	12,502	946	14,048	1,134
117	Raisins.....	6,618	3,779	115,400	3,942	60,758	1,745	63,529	716
118	All other, or dried.....	86,774	10,321	33,075	10,434	54,176	18,763	49,926	13,532
119	Preserved fruits—			12,216	5,777	4,715	1,384	4,480	2,088
120	Canned.....	12,907	13,328	20,937	29,866	67,024	24,059	64,400	23,149
121	All other.....	68,657	21,891	92,569	29,866				
122	Nuts.....								
123	Gums and resins:								
124	Rosin.....	3,717	264	1,576	118	974	192	1,300	111
125	Tar.....	10,255	2,019	9,283	277	5,049	274	1,807	96
126	Turpentine and pitch.....	3,065	539	2,661	491	100	4	1,288	64
127	Turpentine, spirits of.....	14,801	2,933	12,548	1,617	12,644	1,887	25,089	2,161
128	Count-house and gutta-percha.....	815	23	135	37	83	5	1	1
129	Glass and glassware:								
130	Glass packages, paying duty separate from their contents								
131	No value.....	279,698	92,091	93,175	53,610	10,337	35,074		25,129
132	Window glass.....	6,035	1,232	28,676	8,386	14,964	6,543	11,382	5,640
133	All other.....	160,039	27,083	410,936	56,197	251,133	91,167	176,555	68,801
134	Glucose and grape sugar.....	2,186	298	5,198	427	2,709	637	3,227	1,037
135	Glycerine.....	13,638	651	12,798	1,342	16,971	2,790	11,586	2,028
136	Grease, and soap stock.....	37	2	636	19	2,240	86	356	2
137	Gunpowder.....			347	307	206	71	1,806	263
138	All other explosives.....	63	18	1,712	1,039	11,610	6,004	43,138	17,126
139	Games and toys.....	80,493	29,681	131,152	31,029	130,920	21,882	97,080	17,428
140	Hair, and manufactures of.....	345	87	2,094	542	1,059	394	2,370	1,710
141	Hay.....	3,444	218	7,286	170	30,782	700	76,243	1,531

a As a rule, value is given with contents.

Imports, by articles, during period of American occupation, by fiscal years—Continued.

No.	Articles.	1899.		1900.		1901.		1902.		1903.		1904.	
		Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.
132	Hides and skins:												
133	Goatskins:					\$252	\$72	\$2,951	\$535	\$629	\$57	\$321	\$76
134	Hides of cattle:	\$2,653	\$549	\$8,619	\$2,815	3,138	1,060	18,424	3,484	48,218	4,591	9,186	827
135	All other:	4,020	1,265	7,516	1,336	19,879	3,678	56,158	9,098	18,961	2,160	3,064	330
136	Honey:			686	18	1,654	291	1,081	163	2,283	180	681	53
137	Hops:					9,631	641	29,628	8,922	21,763	870	17,170	586
138	Hats and caps:					87,604	34,908	211,942	77,175	258,180	108,827	118,862	53,815
139	Ice:												
140	Printer's:					2,294	571	2,532	245	2,721	265	2,298	436
141	All other:					11,021	2,132	8,262	2,585	9,158	6,629	8,517	2,355
142	Instruments, electrical:					29,523	1,754	27,658	1,851	82,292	9,335	54,532	8,418
143	Incandescent electric lamps:					5,792	476	1,257	285	12,381	2,586	6,078	1,584
Iron and steel, and manufactures of:													
144	Needles, pins, etc:					25,452	10,120	25,926	7,561	27,419	7,544	25,386	7,387
145	All other fine articles:					16,837	2,177	29,071	5,216	19,084	4,204	4,181	7,038
146	Pig iron:	3,014				9,990	415	17,598	2,027	5,813	319	6,450	369
147	Scrap and old:					478	73	53	14				
148	Bar iron:	169,491	31,434	305,867	69,986	68,571	22,768	71,326	14,853	54,052	8,800	60,595	10,339
149	Bars and rods of steel:					15,333	3,814	41,210	8,214	43,104	6,380	58,852	5,472
150	Hoops, bands, and scroll:					2,254	270	351	72	1,126	319	1,397	1,161
151	Rail for railways—												
151	Iron:					1,874	620	32,105	3,419	10,754	568	7,508	431
152	Steel:					2,422	478	27,091	5,982	646	45	240,080	21,034
Sheets and plates—													
153	Iron:					218,261	49,413	193,904	34,810	224,507	33,297	237,126	37,364
154	Steel:					25,466	7,446	39,453	9,398	27,334	3,378	19,061	3,378
155	Structural iron and steel:					5,873	2,342	70,165	9,735	69,397	7,897	49,580	7,396
156	Wire and wire cables:					11,720	1,410	13,054	1,926	19,643	1,932	34,403	3,447
157	Builders' hardware, saws, etc:					28,426	6,334	6,930	6,930	24,213	3,872	14,969	2,481
158	Saws:					1,598	242	6,662	984	6,302	898	5,034	969
159	Tools not elsewhere specified:					54,552	8,294	103,833	17,135	76,033	13,061	125,488	19,789
160	Car wheels:	523	210	13,520	1,378	131	10	21	4		25	1,363	120
161	Castings not elsewhere specified:												
161	Iron:					19,527	2,535	28,581	3,801	26,753	3,337	24,040	2,801
162	Cutlery—												
163	Table:					14,119	2,062	14,069	6,062	5,721	2,369	4,106	1,715
164	All other:	319,660	31,345	49,409	9,685	80,607	18,466	63,294	14,884	60,303	19,007	67,794	19,855
	Firearms:			2,040	13	739	84	2,399	594	13,458	2,421	71,118	21,729
	Total iron and steel (dutiable):	492,688	63,090	370,836	81,062	597,239	140,213	829,447	153,521	715,991	119,684	1,069,060	166,990

Machinery and machines:											
165	Cash registers.....	65	17	4,339	1,009	3,053	693	2,340	467		
166	Electrical machinery.....	21,908	1,080	13,660	510	7,578	494	19,532	1,295		
167	Laundry machinery.....	3,806	122	6,010	570	31	6				
168	Metal working.....	3,344	246	467	45	686	203				
169	Printing presses, and parts of.....	15,373	1,425	11,373	1,335	28,339	5,494	8,791	1,029		
170	Pumps, and pump machinery.....	7,277	342	12,039	907	19,026	1,125	17,369	1,433		
171	Sewing machines, and parts of.....	127,737	11,780	157,633	10,526	119,348	6,558	122,109	6,530		
172	Shoe machinery.....			30	1			53	11		
173	Steam engines, and parts of—										
174	Locomotives.....	2,790	79	4,078	276	3,845	355	20,143	643		
175	Stationary.....	7,923	843	12,145	522	36,113	2,210	43,148	2,828		
176	Boilers, and parts of en-										
177	gines.....	117,213	10,230	91,685	5,047	45,183	1,985	47,617	1,946		
178	Typewriter machines.....	23,932	1,440	24,213	3,840	20,714	4,230	48,631	9,800		
179	Sugar and brandy machinery.....	476	61	1,293	28	3,693	56	17,646	298		
180	Other machinery.....	246,091	24,947	246,091	24,947	219,552	31,138	285,624	33,861		
181	Detached parts of.....	90,654		90,654	8,341	79,668	14,207	136,993	25,069		
182	Total machinery.....	331,854	27,165	675,626	57,894	587,629	68,668	774,026	87,919		
183	Nails and spikes:										
184	Cut.....	14,162	4,961	7,883	1,553	580	91	4,558	532		
185	Wire.....	28,179	9,083	26,015	6,568	43,000	8,757	44,805	8,785		
186	All other, including tacks.....	12,776	3,689	15,596	2,784	11,526	1,592	21,184	3,160		
187	Pipes and fittings.....	30,527	5,032	24,580	4,061	39,534	5,302	94,556	12,762		
188	Sofas.....	10,956	2,522	20,281	4,546	24,892	4,292	13,406	2,333		
189	Scales and balances.....	7,623	1,025	9,976	1,075	16,376	1,446	15,311	1,869		
190	Stoves and ranges.....	3,812	1,064	8,192	1,142	5,854	837	10,022	1,448		
191	All other iron and steel manufac-	815,840	86,801	467,514	65,184	456,709	146,919	375,978	63,745		
192	tures.....										
193	Grand total irons, and man-	1,861,948	281,045	2,088,110	298,358	1,902,401	357,591	2,412,936	339,543		
194	ufactures of.....										
195	Jewelry.....	402,461	15,507	416,578	21,730	217,307	8,648	258,998	46,027		
196	Lamps.....	23,158	3,507	41,652	11,260	28,688	8,193	14,750	3,210		
197	Chandeliers.....	1,711	239	2,643	345	365	51	80	17		
198	All other manufactures of gold and										
199	silver.....	73,810	8,320	47,542	11,841	40,946	12,152	20,432	7,575		
200	Lead, and manufactures of:										
201	Pigs, bars, and old.....	1,086	765	4,674	1,200	7,441	1,234	14,422	2,182		
202	Pipe.....	3,336	1,921	2,694	308	3,542	272	5,323	529		
203	All other manufactures of.....	7,068	2,301	13,788	3,846	8,631	1,930	12,729	4,023		
204	Leather and manufactures of:										
205	Sole leather.....	1,329	434	2,531	631	1,034	214	1,823	466		
206	Upper leather.....	391	730	65	9	1,494	20	1,135	69		
207	All other upper.....	166	58	80	11	1,387	200	1,135	69		
208	All other.....	35,890	8,169	67,779	12,025	57,865	7,737	88,126	14,282		

Imports, by articles, during period of American occupation, by fiscal years—Continued.

No.	Articles.	1899.		1900.		1901.		1902.		1903.		1904.	
		Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.
Leather and manufactures of—													
Continued.													
Manufactures of—													
197	Boots and shoes.....	\$103,331	\$20,608	\$149,553	\$26,728	\$217,665	\$72,964	\$290,518	\$77,927	\$541,393	\$103,044	\$344,382	\$98,925
198	Harness and saddles.....					13,015	5,956	14,762	3,907	18,851	4,477	16,149	3,055
199	Trunks, valises, etc.....					4,666	1,939	5,250	7,816	7,816	2,420	5,265	2,053
200	All other.....	40,339	8,845	48,044	13,727	59,962	13,853	50,928	12,820	57,937	12,486	35,025	9,718
201	Lime.....					620	161	1,037	183	347	15	317	12
202	Malt.....					109	65	5,660	390	37,250	16,630	51,666	23,502
Malt liquors:													
Beer—													
203	In wood.....					1,288	412	11,470	2,719	282	17	2,601	1,413
204	In bottles.....	248,010	88,859	638,416	185,111	1,030,608	256,183	501,018	130,155	452,292	108,562	290,697	70,138
205	All other malt liquors.....					10,608	1,948	34,129	6,938	35,557	6,455	38,113	6,573
Total malt liquors.....													
Marble and stone, and manufactures of:													
Marble, rough, in slabs or blocks.....													
371	Marble, wrought, chiseled, etc.							3,640	544	3,957	1,109	2,504	640
372	Stone, having unwrought.							2,715	441	2,214	207	2,928	729
206	Building stone.....							768	107	961	61	619	54
207	All other.....	26,164	1,873	29,456	1,901	958	490	283	82	36	10		
208	Matches.....	219,756	34,249	129,557	64,060	19,670	1,896	9,624	1,081	10,316	3,155	9,177	865
Metal and metal compositions:													
Tin—													
210	In sheets, bars, and ingots.			20,180	3,936	8,040	1,402	10,314	1,484	8,701	767	13,849	1,223
211	Manufactured articles, tin.	17,624	2,515	257,550	40,286	79,220	13,665	50,623	8,128	44,687	9,322	35,520	6,188
373	Metal and metal compositions.							18,856	2,205	6,477	1,771	2,956	306
Manufactures of—													
374	Musical instruments:	54,820	8,931					14,714	2,850	5,031	1,697	7,534	2,175
Organs.....													
212	Panofortes.....	2,400	298	3,674	547	1,090	133	1,099	133	159	30	1,167	253
213	All other.....	4,364	1,195	5,608	876	16,174	3,566	23,123	4,234	17,119	3,225	20,081	4,455
Oilcloths:													
214	For floors.....					614	152	643	100	317	42	798	120
215	All other.....					23,458	5,289	35,382	6,521	31,455	3,503	24,613	2,942

[illegible]

Imports, by articles, during period of American occupation, by fiscal years—Continued.

No.	Articles.	1899.		1900.		1901.		1902.		1903.		1904.	
		Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.
Provisions:													
Beef products—													
243	Beef, canned.....					\$6,810	\$3,090	\$14,455	\$3,117	\$20,666	\$3,960	\$23,433	\$5,460
244	Beef, fresh.....	\$5,755	\$1,880	19,286	45	19,286	45	31,518	14	82,155	55	204,262	25
245	Beef, salted or pickled.....	170,300	44,311	129	27	129	27	1,128	104	838	2	499	29
246	Beef, cured.....			480	96	480	96	1,494	58	811	3	426	29
247	Beef, jerked.....			23	6	23	6	76	14	313	26	85	4
248	Beef tallow.....			1,812		1,812		3,030	179	3,101	124	1,508	57
Hog products—													
249	Bacon.....					3,295	908	9,113	1,354	7,768	910	11,135	1,181
250	Hams and shoulders.....					110,744	33,541	157,663	27,032	155,130	21,080	167,181	20,208
251	Pork, canned.....					163	55	1,016	284	10,062	1,236	14,635	1,778
252	Pork, fresh.....					1,712	3	1,080	3	5,728		7,642	
253	Pork, salted or pickled.....					2,408	1,301	3,057	320	1,204	105	231	10
254	Lard.....	15,635	5,038	\$64,074	\$30,508	92,130	50,723	120,059	29,988	185,864	20,305	262,140	27,208
255	Lard products, and sub- stitutes for.....					51	20	1,343	545	2,501	314	6,059	818
256	Mutton.....					8,391	50	12,110	81	4,614		18,264	
257	Oleomargarine.....					205	74	26,288	3,519	6,638	1,115	330	60
258	Imitation butter.....	26,250	6,912	71,713	21,173			13,068	55	220	8,801	31,805	5,169
259	Poultry and game.....					14,051	297	12,526	1,868	13,300	1,131	9,624	1,047
260	All other.....	399,721	85,101	274,361	95,478	110,502	46,918	127,913	21,717	127,110	20,872	95,181	15,921
Dairy products—													
261	Butter.....					88,446	26,577	62,563	13,245	48,401	4,419	56,583	5,918
262	Cheese.....	17,588	3,480	42,260	10,203	58,987	14,448	40,633	5,731	43,950	4,565	38,518	4,071
263	Milk.....					1,178	645	1,278	576			2,494	
264	Condensed milk.....	1,938,932	374,602	3,186,198	662,542	97,287	73,969	155,595	38,236	247,366	35,510	251,261	36,841
265	Rice.....					5,490,658	1,128,694	6,578,481	1,174,058	10,081,323	1,535,583	11,548,814	1,650,720
Rubber:													
266	Belt, hose, and bagging.....					3,551	538	3,232	294	13,097	2,024	31,252	2,545
267	Boots and shoes.....					9,084	2,656	17,801	4,475	13,556	2,806	7,150	1,549
268	All other.....					57,483	9,676	63,645	10,201	63,244	8,875	70,096	8,689
269	India rubber, scrap and old.....					2,713	782	4,224	1,630	2		34	5
270	Samples with commercial value.....					470	103	3,074	1,181	3,636	2,172	378	396
271	Salt.....					3,663	425	8,583	5,662	20,985	11,164	5,176	1,661
Seeds:													
272	Cotton seed.....					36	12	512	133	940	19	10	
273	Clover seed.....					10	1	547	102	350	22	20	
274	Flax and timothy seed.....					23,626	901	12,381	581	10,345	950	7,574	518
275	All other.....			2,762	187	2,168	2,727	24,287	5,314	22,191	6,423	15,366	4,783
276	Shells.....	432	55										

Silk, and manufactures of:																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
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Imports, by articles, during period of American occupation, by fiscal years—Continued.

No.	Articles.	1899.		1900.		1901.		1902.		1903.		1904.	
		Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.	Value.	Duty.
311	Vegetables:												
312	Beans and peas.					\$28,199	243	\$34,351	\$24,084	\$85,616	\$16,036	\$70,009	\$9,525
313	Onions.					35,163	243	118,118	49	91,218	10	105,109	
314	Potatoes.					64,303	460	281,357	22	123,579	21,179	173,327	15,406
315	Vegetables, canned.	\$29,217	\$8,335	\$52,436	\$470	12,338	7,863	34,969	7,064	103,700	31,179	71,774	1,074
316	Dried pulse.					13,926	5,932	10,316	3,508	9,868	8,435	8,435	23,455
317	All other.	225,010	34,370	187,616	40,492	164,021	36,030	179,467	32,930	99,330	34,843	73,284	971
	Vinegar.					2,775	2,690	2,445	2,515	3,063	1,643	1,514	
	Vessels:												
318	Steam.					877,074	21,400	250,671	5,196	24,705	1,505	18,324	231
319	Sailing.					149,908	11,454	56,121	3,896	17,415	2,121	19,303	2,086
320	Whalebone.					19	5	55	3	34	1	281	8
321	Walking sticks.					92,420	42,548	49,800	24,732	29,532	11,625	11,492	5,298
322	Wines:												
323	In bottles.					106,783	30,521	117,349	37,876	55,224	35,374	29,364	19,014
324	In other coverings.					125,724	170,522	153,549	169,588	154,419	102,802	202,438	110,524
	Sparkling liquors.	490,561	93,690			114,709	20,424	119,455	45,651	49,269	36,085	34,811	16,488
	Total wines.	490,561	93,690	319,961	100,277	347,216	221,470	390,393	193,115	258,912	174,271	266,663	146,956
	Wood, and manufactures of:												
	Timber—												
325	Pine wood, unplanned.							3,509	82	4,146	40		
326	Sawed.					7,477	256	32,752	1,772	2,405	22	709	8
327	Hewn.					1,480	82	25,986	713	2,180	18		
328	Logs, and other.					53,056	1,114	13,677	341	7,113	69	80,640	1,360
329	Lumber—												
	Boards, etc.					92,975	3,141	238,776	9,562	172,645	6,232	250,803	9,069
330	Joists and scantlings.	195	37	41,607	3,178	633	25	225	24	345	6	18,008	227
331	Shingles.									196	19		
332	Shooks—												
	Box.					18,698	1,432	883	146	8,983	382	31,435	1,448
333	All other.					533	32	671	51	2,695	159	130	
334	Staves.					2,578	208	50	13	1,212	69	4,171	144
335	Heading.							358	50			342	20
336	All other.	14,096	1,968	60,621	4,036	13,101	408	4,370	362	9,055	1,308	2,249	249
337	Manufactures of—												
	Wood, ordinary, cases in which imported goods are packed.												
338	Doors, sashes, and blinds.					2,983	308	12,414	9,445	2,896	14,151	7,700	23,416
						143	22	1,900	640	531	135		2,715

339	Furniture not elsewhere specified.....	15,300	3,446	13,150	2,312	36,618	5,001	84,752	19,082	72,668	24,942	86,090	26,553
340	Hoseheads and barrels, empty.....					21,748	9,350	7,007	12,558	505	16,441	699	8,412
341	Trimnings and molding, etc.....					7,018	1,070	5,744	4,122	11,371	13,080	8,020	6,858
342	Wooden ware.....					6,645	1,242	27,632	4,301	15,179	3,430	4,466	2,868
343	Wood pulp.....							617	110				
344	All other.....	87,723	14,042	108,337	18,979	93,839	12,783	147,418	10,748	79,066	26,942	96,967	24,064
345	Wool, and manufactures of: Raw.....	3,948	225	4,501	292	11,305	568	9,469	863	7,425	484	4,641	230
346	Manufactures of— Carpets.....			2,555	764	3,921	1,454	3,986	1,419	3,986	1,395	4,023	1,410
347	Flannels and blankets.....	4,059	740	10,073	2,478	6,362	2,448	11,939	5,332	10,646	4,307	15,377	5,384
348	Wearing apparel.....					12,158	2,489	28,389	7,644	36,705	12,613	41,920	15,113
349	Woolen yarn.....	1,520	387	166	42	4,147	888	3,554	1,334	3,192	1,266	4,277	1,011
350	Cloth, spun or twilled.....					120,291	25,636	211,013	51,669	116,657	40,583	123,105	43,006
351	All other manufactures of.....	76,537	21,897	109,989	22,661	73,494	19,000	68,028	18,710	111,131	35,663	88,086	30,942
	Total wool, etc.....	86,004	23,290	127,284	26,147	219,878	52,481	337,278	86,971	289,182	96,251	281,429	98,126
352	Zinc, and manufactures of.....					12,840	2,852	21,296	5,301	20,406	5,062	22,430	5,375
353	Gold— In ore.....												
354	Bullion.....												
355	Coin.....			149,349		548,223	14	278,248		222	6	1,772	
356	Silver— In ore.....												
357	Bullion.....							15	1				
358	Coin.....	520,850		2,293,071	257,967	2,030,782	2	8,652,648	1	1,933,435		1,080,947	
359	All other articles.....	1,139,383	139,438	1,848,631	257,967	219,095	14,541	204,310	19,062	223,654	110,996	104,989	29,394
	Spanish-Philippine paper money.....											1,411	
	Copper coin.....					3,306		23,131					
	United States bonds.....												
	Grand total.....	13,637,417	2,575,554	23,043,856	4,799,767	32,818,411	8,328,915	41,104,914	7,201,916	35,099,812	7,678,948	34,227,481	6,796,505
	Of above free of duty.....	322,250	3,368,241			3,547,658		11,225,894		3,765,843		2,714,183	

a As a rule, value is given with contents.

Summary of imports into the Philippine Islands, by ports, for the six fiscal years ending June 30, 1904.

IMPORTS.^a

[Values represented in United States currency, gold and silver coin included.]

Port.	Twelve months ending June—					
	1899.	1900.	1901.	1902.	1903.	1904.
Manila.....	\$12,914,818	\$20,839,174	\$28,586,988	\$36,604,675	\$29,097,688	\$28,784,236
Iloilo.....	420,418	1,235,445	2,336,918	1,931,800	2,582,883	2,447,670
Cebu.....	302,181	850,968	1,430,363	2,124,188	2,895,092	2,662,961
Jolo.....		84,429	326,285	249,693	274,801	269,510
Zamboanga.....		14,326	80,597	156,064	249,371	152,372
Siasi.....		19,494	57,250	38,524		
Bongao.....						2,430
Puerto Princesa.....						4,315
Cape Melville.....						1,509
Balabac.....						2,478
Total.....	13,637,417	23,043,856	32,818,411	41,104,944	35,099,835	34,327,481

EXPORTS.

Manila.....	\$13,692,592	\$17,180,846	\$21,522,444	\$20,462,688	\$29,570,375	\$30,508,303
Iloilo.....	1,732,632	2,075,241	1,512,046	2,517,814	4,108,028	2,833,324
Cebu.....	616,078	2,377,506	3,093,714	3,913,297	5,614,245	3,489,224
Jolo.....		99,965	230,872	128,832	209,223	120,117
Zamboanga.....		4,041	25,090	103,320	172,447	77,543
Siasi.....		28,808	47,096	31,136		
Bongao.....						111
Puerto Princesa.....						450
Cape Melville.....						1,859
Balabac.....						2,254
Total.....	16,041,302	21,766,440	26,431,262	27,157,087	39,674,318	37,033,185

^a Government free entries not included.

Total value of imports, August, 1898, to June 30, 1904.....	\$180,031,942
Total value of exports, August, 1898, to June 30, 1904.....	168,103,594

Excess of imports over exports..... 11,928,348

NOTE.—The foregoing table, showing, by ports, the value of commodities imported into and exported from the Philippine Islands, by fiscal years, during the period of American occupation, is a summary of monthly reports on Forms 3 and 4, division of customs and insular affairs, fractions of dollars and Government free entry merchandise not included.

The table illustrates the growth of trade and shows the relative proportion of exports to imports.

In order that the table shall not be in a measure misleading, the fact that it includes currency imported and exported must be taken into account. Imports and exports of Mexican currency fluctuated between greater extremes than any other article of merchandise imported or exported, as will be seen by reference to the tables showing imports and exports by articles, and the fluctuation of the total value of exports and imports is chiefly accounted for by this article, which went and came at the money changers' caprice.

To illustrate: The following table shows the value of imports and exports by fiscal years for the period of American occupation, with currency imports and exports excluded:

Export and import values (currency excluded).

	1899.	1900.	1901.	1902.	1903.	1904.
Imports.....	\$13,116,567	\$20,601,436	\$30,276,200	\$32,029,357	\$32,978,445	\$33,221,251
Exports.....	14,640,162	19,821,347	23,222,348	24,544,858	33,150,120	30,226,127
Total imports, period of occupation to June 30, 1904.....						\$162,223,256
Total exports, period of occupation to June 30, 1904.....						145,604,962
Excess of imports.....						16,618,294

Comparative summary of exports from the port of Manila, by countries, during the three fiscal years ending June 30, 1904.

[Duties and values expressed in United States currency.]

Countries.	1902.		1903.		1904.	
	Value.	Duty.	Value.	Duty.	Value.	Duty.
United States.....	\$5,089,326	\$199,406	\$9,563,475	\$447,170	\$9,060,845	\$416,537
England.....	7,385,170	308,422	7,400,100	384,689	9,198,283	436,846
Spain.....	869,875	97,212	757,500	89,807	1,155,866	90,346
Hongkong.....	4,329,178	30,941	5,827,857	39,141	5,451,416	23,108
France.....	816,246	20,765	3,004,006	102,122	1,966,686	73,331
Japan.....	636,247	6,615	493,447	10,639	395,320	13,937
British Australasia.....	436,530	12,953	336,251	15,133	440,585	17,924
East Indies (British).....	421,515	10,665	642,040	12,445	1,299,286	14,238
Austria-Hungary.....	88,787	20,587	162,197	21,233	253,453	23,933
Germany.....	75,626	1,881	127,684	4,423	107,002	4,101
Chinese Empire.....	65,077	1,186	430,716	2,227	736,419	5,346
British China.....	55,191	894	334,258	294	291	3
Belgium.....	46,829	2,565	137,103	8,373	55,207	3,212
British Africa.....	38,863	1,140	12,082	297	6,408	186
East Indies (Dutch).....	27,224	771	24,721	1,008	30,458	1,039
Netherlands.....	20,212	1,203	44,061	4,199	209,763	12,617
Italy.....	17,830	324	13,177	196	32,234	911
Quebec, Ontario, etc.....	7,679	108	6,157	118	8,475	130
Gibraltar.....	6,812	224	9,499	284	8,874	209
Scotland.....	3,721	59	2,787	40	2,895	38
Hawaiian Islands.....	3,687	63	5,910	135	1,130	28
British Columbia.....	3,648	66	2,030	41	2,618	44
All other Asia.....	3,265	45	81,273	107	7,137	105
Guam.....	2,481	14				
German Oceania.....	1,934	1				
East Indies (French).....	1,578	29	109,317	172	9,419	227
Korea.....	1,400	22	710	12	368	5
Auckland Islands.....	1,310	24	130	2	545	7
Uruguay.....	1,246	234	2,700	570	5,725	810
Switzerland.....	1,008	17	457	10	2,218	3
Russian China.....	905	12	578	9	2,443	38
Turkey in Africa, Egypt.....	889	16	1,952	68	2,041	50
Guatemala.....	411	8				
Canary Islands.....	321	18	4,128	356	2,332	53
Russia.....	263					
Argentine Republic.....	150	20	599	79	1,382	50
Aden.....	140	1	718	10	622	11
Bermuda.....	119	4			150	4
Malta, Gozo, Cypress.....	48	1	2,970	93	1,950	49
Greece.....	7					
Portugal.....			24,775	1,597	40,481	2,407
Nova Scotia, etc.....			4,694	275	7,304	310
French China.....			98	6	110	2
Paraguay.....			480	115	111	1
East Indies (Portuguese).....			163			
French Africa.....			1,035	24	73	5
Spanish Africa.....			900	49	1,786	81
Spanish Oceania.....			30			
Mexico.....					180	
Denmark.....					200	4
German Africa.....					134	
Sweden and Norway.....					78	1
Total.....	20,462,688	718,516	29,570,375	1,147,569	30,508,303	1,142,277

NOTE.—The above table is a summary of monthly reports of exports from the port of Manila, P. I., on Form 4, showing value and duties, by countries, for the fiscal years 1902, 1903, and 1904.

In all export reports fractions of dollars are omitted from the value and duties on each article exported.

Harbor-improvement taxes are included in the item of duties on this report, and on said account the amount of export duties will not agree with that shown in the financial report, which is a summary of monthly reports on Form 1, in which fractions of dollars are entered and harbor-improvement tax separately reported.

Comparative summary of exports from the Philippine Islands during the three fiscal years ending June 30, 1904.

[Duties and values represented in United States currency.]

Countries.	1902.		1903.		1904	
	Value.	Duty.	Value.	Duty.	Value.	Duty.
United States.....	\$7,871,743	\$286,916	\$13,863,059	\$619,418	\$11,102,860	\$509,043
England.....	8,280,478	339,053	8,799,329	449,273	10,253,615	495,434
Spain.....	869,875	97,212	757,500	89,807	1,155,866	90,346
Hongkong.....	5,799,123	83,142	7,393,234	76,688	7,166,143	66,677
Japan.....	1,346,517	27,032	1,759,366	55,597	1,304,514	42,650
France.....	955,828	23,788	3,684,116	120,690	2,127,365	77,544
East Indies (British).....	672,614	13,169	991,100	16,867	1,518,233	17,097
British Australasia.....	436,530	12,953	336,251	15,133	441,114	17,949
Chinese Empire.....	295,322	6,965	649,562	10,344	1,213,399	21,605
British Africa.....	122,073	4,410	12,092	297	52,458	2,086
French China.....	120,180	3,372	93,353	2,797	110	2
Austria-Hungary.....	88,787	20,587	162,197	21,233	253,453	23,933
Germany.....	75,626	1,881	306,664	8,676	107,144	4,101
British China.....	55,191	894	394,258	294	291	3
Belgium.....	46,829	2,565	137,103	8,373	55,264	3,212
East Indies (Dutch).....	27,142	807	25,198	1,029	30,458	1,039
Netherlands.....	20,212	1,203	44,061	4,199	209,763	12,617
Italy.....	17,830	324	13,177	196	32,249	911
Quebec, Ontario, etc.....	7,679	108	6,157	118	8,175	130
Gibraltar.....	6,812	224	9,499	284	8,874	209
Russia.....	12,128	319	28,417	811		
Scotland.....	3,721	59	2,787	40	3,095	38
Hawaiian Islands.....	3,687	63	5,910	135	1,130	28
British Columbia.....	3,648	66	2,030	41	2,618	44
All other Asia.....	3,265	45	128,332	169	7,137	105
Guam.....	2,181	14				
German Oceania.....	1,934	1				
East Indies (French).....	1,578	20	109,317	172	9,419	227
Korea.....	1,400	22	710	12	368	5
Auckland Islands.....	1,310	24	130	2	545	7
Uruguay.....	1,246	234	2,700	570	5,725	810
Switzerland.....	1,008	17	457	10	218	3
Russian China.....	905	12	578	9	2,443	38
Turkey in Africa - Egypt.....	889	16	1,932	68	2,041	50
Guatemala.....	411	8				
Canary Islands.....	321	18	4,128	356	2,332	53
Argentine Republic.....	150	20	599	79	1,382	50
Aden.....	140	1	718	10	622	11
Bermuda.....	119	4			150	4
Malta, Gozo, Cyprus.....	48	1	2,970	93	1,950	49
Greece.....	7					
Nova Scotia, etc.....			4,684	275	7,304	310
Paraguay.....			480	115	111	1
East Indies (Portuguese).....			163	1		
Spanish Africa.....			900	49	1,786	81
Spanish Oceania.....			30			
Portugal.....			24,775	1,597	40,181	2,407
French Africa.....			1,035	24	73	5
Mexico.....					180	
Denmark.....					290	4
German Africa.....					134	
Sweden and Norway.....					93	1
Total.....	27,157,087	927,878	39,671,318	1,505,891	37,033,185	1,380,919

NOTE.—As in the summary of the preceding page, fractions of dollars are omitted in the making up of this export summary, and harbor-improvement tax is included in the statement of duties collected.

EXPORTS BY COUNTRIES.

The foregoing table illustrates the exports by countries from all ports in the Philippine Islands, giving the value and duty collected for each country.

In the value of exports the United States still holds the lead, the value of commodities exported to the United States exceeding the value of the exports to England in the amount of \$849,245. In the year 1903 the United States led England \$5,063,730.

Articles of the growth and produce of the Philippine Islands were exported to forty-five different countries during the fiscal year 1904, but the two countries (United States and England) received a value of \$21,356,475, leaving \$15,676,700 distributed between the forty-three other countries, Hongkong standing in third place and France in fourth. Hemp was the chief article exported to the United States and England. The chief exports to Hongkong comprised shipments of silver coin, United States bank notes, and sugar. The exports to France were chiefly copra and ilang-ilang oil, in the order named.

The total value of exports for the year 1904 shows a falling off from \$39,674,318 in 1903 to \$37,033,185.

Exports from the Philippine Islands during six fiscal years ending June 30, 1904, by articles.

[Value and duty represented in United States currency.]

Article.	1899.		1900.		1901.	
	Value.	Duty.	Value.	Duty.	Value.	Duty.
Animals:						
Horses and mules.....					\$1,395	\$5
Cattle.....					3	
All other.....					115	4
Animal products.....						
Asphaltum.....	\$480	\$8				
Books, maps, etc.....					118,199	1
Cacao.....	653	45	\$2,203	\$87		
Coffee.....	12,051	61	1,556	30	6,616	26
Chemicals, drugs, etc.:						
Indigo.....	5,702	66	28,315	244	1,825	5
Tintarron.....						
All other.....	3,255	1	1,000	42	188	
Copper, and manufactures of.....						
.....	79,728	317	34,465	347	24,439	89
Earthen and china ware.....						
.....			208	1	384	
Fertilizers.....						
.....	2,994	61				
Fibers, and manufactures of:						
Sisal grass.....			15,250	97		
Jemp (manila).....	6,666,886	257,691	11,393,883	317,033	14,453,110	483,457
All other fibers.....					88,140	936
Bags.....						
.....			253	4		
Cordage.....	22,235	233	16,105	60	5,074	113
Twine.....						
All other.....					1,925	1
Fish:						
Cod, haddock, etc.....						
Trepang.....					4,035	16
All other fish.....					22,678	75
Fruits and nuts:						
Bananas.....						
Cocoanuts.....	14,600	364	2,100	59	15,045	471
Copra.....	670,145	19,306	1,690,897	44,885	2,648,305	68,943
Candle nuts.....					24	
All other nuts.....					816	80
Other fruit, green.....	1,482	30	1,452	30	417	4
Gums and resins:						
Almaciga.....						
Copal.....					109,936	575
Gum.....					9,007	63
Pitch.....					1,750	6
All other.....					13,694	48
Glass and glassware.....						
.....	2,423	197	6,124	490	10,531	423
Grease.....						
.....			3,000	6		
Hides of cattle.....						
.....	28,448	308	154,417	808	137,397	769
Hide cuttings.....						
.....					1,314	11
All other hides.....					21,185	126
Horns, bones, and hoofs.....						
.....					2,003	47
Iron ore.....						
.....	68	12				
Scrap iron.....						
.....					3,156	151
Knitted goods.....						
.....					168	
Leather.....						
.....					8,514	66
Manufactures of.....	6,548	72	29,874	857	1,584	
Manufactures of iron and steel.....						
.....	4,628	97	2,250	58	8,618	64
Metal composition, and manufactures.....						
.....					6,625	19
Oils:						
Olive oil.....						
Animal oils.....						
Cocoanut oil.....	9,128	127	2,511	31	115	1
Candle-nut oil.....						
Hang-ilang oil.....					41,975	4
All other oils.....					14,165	217
Paraffin, stearin.....						
.....	2,243	63			33	
Perfumery, cosmetics.....						
.....	70,815	85	45,833	10	11,966	18
Meats, salted, pickled.....						
.....					1,750	12
Cheese.....						
All other cheese.....					1,875	5
Rice husks.....						
.....					1,230	160
Straw manufactures, hats.....						
.....					91,645	22
Seeds:						
Ajonjol.....						
Sesame.....						
All other.....					4,250	66

Exports, etc., during six fiscal years ending June 30, 1904—Continued.

Article.	1899.		1900.		1901.	
	Value.	Duty.	Value.	Duty.	Value.	Duty.
Shells:						
Mother-of-pearl.....					\$132,492	\$275
Tortoise shell.....					7,604	11
All other.....					33,892	85
Silk, manufactures of.....					115	
Soap, common.....					99	
All other soaps.....						
Spices.....						
Starch.....						
Salt.....					155	13
Spirits and wines:						
Rum.....						
All other distilled.....	\$4,231	\$49	\$20,813	\$35	748	1
Wines.....					264	
Molasses.....	15					
Sugar, raw or brown.....	2,333,851	71,350	2,999,161	91,642	2,269,058	72,583
Sugar, refined.....			1,340	56		
Candy and confectionery.....			1,033	5	275	1
Tobacco:						
Unmanufactured.....	804,919	66,260	817,759	64,695	953,520	98,775
Cigars.....	1,294,701	39,705	1,189,942	29,425	1,250,175	24,244
Cigarettes.....	525	35	1,573	64	11,092	272
Plug.....						
All other.....	112,617	3,219	166,308	5,372	2,941	67
Total tobacco.....	2,212,762	109,219	2,175,762	99,556	2,217,728	123,558
Vegetables:						
Beans and dried pease.....					110	
Potatoes.....						
All other vegetables.....	525	16	7,137	77	894	93
Cabinet ware, etc.....	4,565	10			874	2
All other manufactured.....	805	91	214	4	600	3
Sapan wood.....					33,325	2,560
All other wood.....	12,242	276	24,185	1,672	5,633	632
Zinc in blocks.....					823	11
All other articles (n. e. s.).....	193,404	1,326	1,057,307	9,200	513,487	729
Reexportation:						
Provisions.....					20,894	190
All other.....					54,629	699
Gold and silver:						
Gold in ore.....					6,000	
Gold in bullion.....	2,273,250		83,120		150	
Gold in coin.....	917,320		1,096,359		299,101	2
Silver in ore.....			13,250			
Silver in bullion.....			6,039		1,250	
Silver in coin.....	483,820		848,734		2,909,813	181
American bills.....						
Copper coins.....						
Philippine paper money.....						
Grand total.....	16,041,302	461,481	21,766,440	567,426	26,431,262	758,508
Article.	1902.		1903.		1904.	
	Value.	Duty.	Value.	Duty.	Value.	Duty.
Animals:						
Horses and mules.....	\$2,393	\$24	\$1,280	\$11	\$2,510	\$26
Cattle.....	21					
All other.....	60		92		3,533	4
Animal products.....	67	1	8,383	19		
Asphaltum.....						
Books, maps, etc.....	1,876	1	2,122	1	4,755	1
Cacao.....	241		11		109	
Coffee.....	2,879	8	1,378	2	2,793	6
Chemicals, drugs, etc.:						
Indigo.....	8,806	100	11,878	217		
Tintarron.....					1,940	42
All other.....	250		3,355	10	2,833	8
Copper, and manufactures of.....	19,185	69	12,070	65	26,119	130
Earthen and chinaware.....	643		207	1	559	3
Fertilizers.....					1,232	61

Exports, etc., during six fiscal years ending June 30, 1904—Continued.

Article.	1902.		1903.		1904.	
	Value.	Duty.	Value.	Duty.	Value.	Duty.
Fibers and manufactures of						
Sisal grass.....						
Hemp (manila).....	\$15,841,316	\$653,950	\$21,701,575	\$1,065,062	\$21,704,960	\$1,051,855
All other fibers.....	178,130	1,401	173,776	1,576	161,634	1,205
Bags.....	720	5	504	9	4,955	51
Cordage.....	11,552	313	7,771	193	30,767	1,011
Twine.....			385	20		
All other.....	5,598	60	18,201	160	7,258	50
Fish:						
Cod, haddock, etc.....	2	1				
Trepang.....	7,338	45	6,856	36	4,517	28
All other fish.....	7,802	26	12,648	45	30,654	99
Fruits and nuts:						
Bananas.....					1	
Cocoanuts.....	589	83	63	1	963	323
Copra.....	1,001,656	29,213	4,472,679	151,390	2,527,019	94,935
Candle nuts.....					8	
All other nuts.....	617	16	584	21	1,949	37
Other fruit, green.....	484	4	469		5,534	42
Gums and resins:						
Almaciga.....	1,693	16	7,302	57	47,051	407
Copal.....	73,010	339	41,186	345	33,454	274
Glue.....	10,111	58	12,618	71	10,211	95
Pitch.....	2,291	11	651	6	352	1
All other.....	65,352	358	111,872	288	24,109	38
Glass and glassware.....	2,736	276	724	58	3,842	158
Grease.....			618	6	70	1
Hides of cattle.....	22,119	188	46,023	288	47,127	239
Hide cuttings:						
All other hides.....	54,633	314	29,622	118	325	1
Horns, bones, and hoofs.....	3,439	47	1,101	20	3,838	14
Iron ore.....	418	4	165	5	100	3
Scrap iron.....	2,276	262	2,746	197	3,756	262
Knitted goods.....			300		56	
Leather.....	12,748	91	6,784	52	4,223	39
Manufactures of.....			119		1,519	1
Manufactures of iron and steel.....	12,629	46	18,084	57	31,494	135
Metal, composition and manufactures.....	25,991	143	5,716	39	9,690	40
Oils:						
Olive oil.....			140		48	
Animal oils.....			40			
Cocanut oil.....	14		355	3	73	1
Candle nut oil.....					1,804	31
Ilang-ilang oil.....	70,553	8	104,139	14	103,247	14
All other oils.....	2,945	161	2,300	96	2,424	14
Paraffin, stearin.....			1,125	1	13,794	24
Perfumery, cosmetics.....			3,278		1,275	
Meats, salted, pickled.....	2				23	
Cheese.....	100		28			
All other cheese.....		3	2,151	2	1,114	4
Rice husks.....	6	1				
Straw manufactures, hats.....	137,555	45	137,369	36	84,625	35
Seeds:						
Ajonjol.....			7,428	169	26,888	480
Sesame.....					175	5
All other.....	46,661	52	3,938	71	2,560	43
Shells:						
Mother-of-pearl.....	65,364	157	89,858	157	80,932	125
Tortoise shell.....	10,035	14	6,343	5	8,600	4
All other.....	26,015	92	25,025	124	14,866	88
Silk manufactures of	438		1,684		154	
Soap, common.....	137	6	54	1	41	
All other soap.....			34			
Spices.....	64		10			
Starch.....					30	
Salt.....	419	74	42		58	7
Spirits and wines:						
Run.....			21		4,542	9
All other distilled.....	577	1	20,162	117	1,639	4
Wines.....	150	2	713	1	988	1
Molasses.....					24	
Sugar, raw or brown.....	\$2,761,432	\$86,251	\$3,955,828	\$140,927	2,668,507	\$94,153
Sugar, refined.....	9,143	309	2,390	31	18	
Candy and confectionery.....	30		1,128	11	2,957	10

Exports, etc., during six fiscal years ending June 30, 1904—Continued.

Article.	1902.		1903.		1904.	
	Value.	Duty.	Value.	Duty.	Value.	Duty.
Tobacco:						
Unmanufactured.....	\$781,523	\$115,264	\$902,610	\$120,206	\$1,021,949	\$115,955
Cigars.....	1,666,822	28,549	947,141	19,517	968,869	18,300
Cigarettes.....	9,995	293	20,699	520	12,586	405
Plug.....					218	11
All other.....	40,127	5,093	11,305	861	9,965	689
Total tobacco.....	2,501,467	149,199	1,881,758	141,104	2,013,287	135,360
Vegetables:						
Beans and dried pease.....	71	4	41		757	3
Potatoes.....			40	1		
All other vegetables.....	134		1,727	12	254	6
Cabinet ware, etc.....	46		2,238	8	6,748	16
All other manufactured.....	1,498	10	2,419	59	11,030	64
Sapan wood.....	30,934	2,589	29,782	1,839	46,725	3,062
All other wood.....	40,002	637	3,190	95	21,400	1,522
Zinc in blocks.....	2,820	26	997	11	350	4
All other articles (n. e. s.).....	1,448,970	563	81,685	261	108,718	326
Reexportation:						
Provisions.....					139,950	3,540
All other.....	525	2	59,452	21	14,399	41
Gold and silver:						
Gold in ore.....	1,450		100		3,085	1
Gold in bullion.....	3,000					
Gold in coin.....	801,758		179,490		67,000	
Silver in ore.....						
Silver in bullion.....						
Silver in coin.....	191,173	5	5,977,741	330	4,118,496	217
American bills.....	1,616,298	194	361,005		2,427,707	2
Copper coins.....			1,962		185,355	105
Philippine paper money.....			4,000		8,500	
Grand total.....	27,157,087	927,878	39,674,318	1,505,891	37,033,185	1,390,919

SHIPPING INTERESTS.

As the shipping interests vitally concern the present and future prosperity of the Philippine Islands, the subject has been much more comprehensively treated than heretofore, in the series of tables following, which show in detail the shipping transactions, both coastwise and foreign. The first table shows the number of coastwise and foreign vessels entered and cleared, by ports and fiscal years, during the entire period of American occupation, giving also the tonnage of each class for each year.

Another table shows, by nationality, the vessels doing the carrying trade for six fiscal years ending June 30, 1904, which table will prove of value to shipping interests. There is also an alphabetical list of all vessels entering the port of Manila during the past fiscal year, showing flag and tonnage of each vessel, and a table showing the number of vessels licensed for coastwise trade, giving class of license and tonnage, by years, from January 1, 1900, when the first license was issued, to June 30, 1904; also the number of certificates of protection issued at the various ports to vessels engaged in the coastwise trade during the same period of time.

There is also an alphabetical list of all vessels to which official numbers and signal letters have been given during the past fiscal year, giving the official number, the signal letters, rig, and home port of each.

There is also for the first time, a table showing the shipments and receipts of commodities at all entry ports on coastwise vessels for the first six months of the year 1904, which will not be without interest to local shipping firms. Then follows an alphabetical list of all coastwise vessels to which official numbers have been given up to July 31, 1904, giving rig, tonnage, home port, etc., of each.

Vessels entered and cleared at all entry ports in the Philippine Islands during period of American occupation, with tonnage of same by fiscal years ending June 30, 1899-1904.

NUMBER OF COASTWISE VESSELS ENTERED.

Port.	1899.	1900.	1901.	1902.	1903.	1904.
Manila.....	683	1,280	1,792	1,660	2,023	2,102
Iloilo.....	108	512	2,171	3,558	3,398	3,381
Cebu.....	218	1,347	3,685	5,008	4,099	2,755
Jolo.....		39	49	80	46	97
Zamboanga.....		92	124	132	96	151
Siasi.....		18	5	3		
Aparri.....				41	242	87
Bongao.....						4
Puerto Princesa.....						16
Balabac.....						1
Cape Melville.....						4
Total.....	1,000	3,288	7,828	10,482	9,904	8,598

TONNAGE OF COASTWISE VESSELS ENTERED.

Manila.....	149,129	240,897	341,853	328,571	388,468	441,320
Iloilo.....	41,091	77,837	137,864	205,290	194,947	184,050
Cebu.....	27,828	100,676	145,726	165,485	168,718	193,174
Jolo.....		6,562	12,206	20,169	11,505	21,163
Zamboanga.....		29,559	20,871	30,832	20,177	36,193
Siasi.....		2,934	649	1,821		
Aparri.....				5,599	46,167	12,162
Bongao.....						192
Puerto Princesa.....						2,909
Balabac.....						10
Cape Melville.....						131
Total.....	218,048	458,465	659,169	757,737	829,982	891,304

NUMBER OF COASTWISE VESSELS CLEARED.

Manila.....	723	1,310	1,831	1,742	2,045	2,116
Iloilo.....	146	585	2,232	3,584	3,435	3,362
Cebu.....	205	1,642	4,225	5,263	4,206	2,875
Jolo.....		44	49	84	44	105
Zamboanga.....		87	131	134	98	163
Siasi.....		18	6	3		
Aparri.....				44	264	103
Bongao.....						4
Puerto Princesa.....						16
Balabac.....						2
Cape Melville.....						4
Total.....	1,074	3,686	8,474	10,854	10,092	8,750

TONNAGE OF COASTWISE VESSELS CLEARED.

Manila.....	165,161	255,104	354,940	359,359	389,355	455,201
Iloilo.....	44,655	82,784	139,303	202,012	196,763	182,278
Cebu.....	28,036	104,701	147,596	151,850	169,892	196,360
Jolo.....		6,836	12,773	21,570	10,884	20,106
Zamboanga.....		30,326	20,952	30,976	19,654	37,020
Siasi.....		2,934	743	1,271		
Aparri.....				6,205	45,890	11,608
Bongao.....						192
Puerto Princesa.....						2,909
Balabac.....						12
Cape Melville.....						135
Total.....	247,852	482,685	676,307	773,243	832,438	905,821

Vessels entered and cleared at all entry ports in the Philippine Islands during period of American occupation, with tonnage of same by fiscal years ending June 30, 1899-1904—Continued.

NUMBER OF VESSELS ENTERED FROM FOREIGN PORTS.

Port.	1899.	1900.	1901.	1902.	1903.	1904.
Manila.....	239	412	521	577	662	655
Iloilo.....	24	47	70	86	105	113
Cebu.....	14	54	71	73	118	110
Jolo.....		36	64	41	49	35
Zamboanga.....		18	27	41	45	39
Siasi.....		6	28	4		
Aparri.....						
Bongao.....						19
Puerto Princesa.....						2
Balabac.....						3
Cape Melville.....						4
Total.....	277	573	781	822	979	960

TONNAGE OF FOREIGN VESSELS ENTERED.

Manila.....	280,846	542,058	814,241	912,982	1,179,349	1,247,959
Iloilo.....	26,865	55,539	77,303	87,627	115,843	121,188
Cebu.....	14,419	60,130	91,015	88,438	169,257	152,023
Jolo.....		7,953	25,344	16,496	28,547	22,779
Zamboanga.....		2,563	8,174	23,877	31,164	28,177
Siasi.....		2,094	15,847	2,428		
Aparri.....						
Bongao.....						845
Puerto Princesa.....						1,214
Balabac.....						22
Cape Melville.....						779
Total.....	322,130	670,337	1,031,924	1,131,848	1,524,160	1,574,986

NUMBER OF VESSELS CLEARED FOR FOREIGN PORTS.

Manila.....	238	348	460	514	649	643
Iloilo.....	27	52	75	92	105	117
Cebu.....	8	48	75	62	113	105
Jolo.....		36	63	37	49	37
Zamboanga.....		18	24	37	39	32
Siasi.....		6	26	5		
Aparri.....					1	5
Bongao.....						9
Puerto Princesa.....						2
Balabac.....						4
Cape Melville.....						5
Total.....	273	508	723	747	956	964

TONNAGE OF FOREIGN VESSELS CLEARED.

Manila.....	291,649	501,522	762,930	881,985	1,198,937	1,222,356
Iloilo.....	35,769	62,775	81,585	94,419	115,216	121,031
Cebu.....	9,132	59,147	94,780	86,456	168,516	145,625
Jolo.....		7,929	24,157	15,095	28,511	24,435
Zamboanga.....		2,567	7,892	23,978	30,747	25,868
Siasi.....		2,094	15,750	3,035		
Aparri.....					273	
Bongao.....						798
Puerto Princesa.....						1,214
Balabac.....						29
Cape Melville.....						782
Total.....	336,550	636,034	977,094	1,104,968	1,542,200	1,541,138

Comparative summary of vessels doing the carrying trade for the Philippine Islands during the three fiscal years ending June 30, 1904, by countries.

[Values are represented in United States currency.]

Countries.	Imports.			Exports.		
	1902.	1903.	1904.	1902.	1903.	1904.
Domestic	\$32,296	\$140,256	\$304,900			\$89,612
American	698,922	600,361	1,796,244	\$344,137	\$667,500	3,167,408
Belgian	112,804	6,635	36,675	357,359	929,803	
British	25,270,472	13,979,540	16,319,986	20,311,604	29,284,519	25,798,427
Dutch	65,214	189,059		71,250		160,299
French	6,616	141,177	144,155		926,032	422,151
German	6,879,964	8,232,336	6,575,000	1,401,197	2,150,530	2,069,441
Spanish	6,721,764	6,795,989	4,879,839	2,044,818	2,523,175	2,539,639
Norwegian	539,077	3,014,212	1,218,248	712,969	1,168,865	406,678
All other	777,815	2,000,240	2,452,344	1,913,447	2,023,904	2,429,530
Total	41,104,994	35,099,845	34,327,481	27,157,087	39,674,328	37,033,185

Statement of foreign vessels engaged in trade between the Philippine Islands and foreign ports during fiscal year 1904, showing name and flag.

Name of vessel.	Flag.	Ton- nage.	Name of vessel.	Flag.	Ton- nage.
Ailsa Craig	British	2,166	Chenan	British	1,350
Anna	Norwegian	1,150	Coeyanna	do.	2,496
Alicante	Spanish	2,761	Claverly	do.	1,921
Australian	British	1,784	Cymbeline	do.	2,150
Antonio Lopez	Spanish	4,345	Crescent (sail)	American	1,443
Atlantis	American		Commerce (sail)	do.	621
Albenga	German	2,789	Cromarty	British	1,756
Amigo	do.	822	Denteros	German	1,001
Arabia	do.	2,868	Decima	do.	794
Abissinia	do.	3,956	Doric	British	2,936
American Maru	Japanese	3,460	Drumburton (sail)	do.	1,073
Airlie	British	1,492	Dulwich	do.	2,111
Antonio Macleod	American	812	Dogmar	do.	921
Adolph Orbia (sail)	do.	1,302	Dott	Norwegian	640
Ajax	British	4,472	Dora Bates	Italian	2,601
Alexander	do.	2,788	Eastern	British	2,364
Atlas (sail)	American	3,066	Empire	do.	2,843
Aye	British	1,955	Else	German	903
Azara	do.	2,481	Espada	American	686
Ariel	Norwegian	993	Eretrio	British	2,255
Algae	British	7,574	Eddie	do.	1,686
Anhui	do.	1,250	Evie J. Ray (sail)	American	919
Apenrade	German	611	Formosa	British	674
An Pho	British	946	Fifeshire	do.	1,318
Armenia	German	3,469	Fernley	do.	2,471
Badenia	Norwegian	722	Ferndale	do.	2,148
Baderia	German	4,157	Frithpop	Norwegian	802
Beechley	British	2,166	Ferndine	British	2,448
Balmoral	do.	2,550	Gaelic	do.	2,860
Breiz Huell	French	2,933	Gulf of Bothnia	do.	2,169
Bunan	American	644	George E. Billings	American	1,103
Brigaria	British	4,163	(sail)		
Brizwada	do.	3,270	Grangemouth	do.	295
Bodonin	do.	2,242	Guthrie	British	1,494
Bink Thuan	French	984	Gamble (sail)	American	626
Braemer	British	2,315	Gulf of Venice	British	1,884
Birmingham	do.	2,612	Gala	Norwegian	625
Barwon	do.	1,914	Golden Shore (sail)	American	626
Breid	Norwegian	645	Holstien	German	985
Binondo	American	274	Hongkong Maru	Japanese	3,447
Changsha	British	1,463	Heim	Norwegian	787
Coptic	do.	2,744	Human	British	1,143
Chengmai	German	767	Halvard	Norwegian	1,270
Chingtu	British	1,092	Hikosan Maru	Japanese	2,302
City of Peking	American	3,129	Hupoh	British	1,205
Comp. de Filipinas	do.	397	Heathenig	do.	2,780
Comeric	British	2,664	Himera	do.	2,351
Claverhill	do.	1,892	Huron	do.	1,990
Cebu	American	648	Heathbank	do.	2,086
C. Ferd Saelsz	German	3,800	Hurstdale	do.	1,756
Candia	British	4,195	Isla de Panay	Spanish	2,302
China	German	1,113	Independant	German	871
Charles Tiberghien	French	2,750	Indradeo	British	2,457
Cloverburn	British	2,578	Isla de Luzon	Spanish	2,580
Chihli	do.	1,143	Indramayo	British	3,370

Statement of foreign vessels engaged in trade between the Philippine Islands and foreign ports during fiscal year 1904, showing name and flag—Continued.

Name of vessel.	Flag.	Ton- nage.	Name of vessel.	Flag.	Ton- nage.
Itaura.....	British	5,197	Oriel.....	Norwegian	1,900
Ikhona.....	do.	3,383	Osborne.....	British	2,796
Ismaila.....	do.	3,381	Obra.....	do.	3,496
Indrawadi.....	do.	3,369	Prosper.....	Norwegian	790
Indrani.....	do.	3,326	Perla.....	British	1,287
Inveric.....	do.	4,789	Prima.....	Norwegian	1,002
Indrasumha.....	do.	5,197	Fhu Yen.....	French	1,246
Itola.....	do.	3,562	Paul Revere.....	American	1,640
Itolda.....	do.	3,562	Petrarch.....	German	1,252
Indravelli.....	do.	3,112	Pleides.....	American	2,932
Indrada.....	do.	3,923	Prince Albert.....	British	1,472
Inverness.....	do.	2,401	Polaris (sail).....	American	717
J. B. Leed.....	American	207	Prince George.....	Norwegian	472
Johme.....	German	852	Palma.....	British	4,913
John Palmer (sail).....	American	1,680	Peicus.....	do.	4,800
Jason.....	British	4,870	Philicus.....	Dutch	1,882
Juno.....	American	183	Queen Cristina.....	British	2,801
James Drummond (sail).....	do.	1,415	Quarta.....	German	1,146
James Nesmith (sail).....	do.	1,632	Queen Olga.....	British	2,146
Kumano Maru.....	Japanese	3,141	Rosetta Maru.....	Japanese	2,402
Kasuga Maru.....	do.	2,361	Rubi.....	British	1,611
Kudat.....	German	550	Rehilla Maru.....	Japanese	3,869
Korea.....	American	5,651	Richmond Castle.....	British	2,368
Kish.....	British	3,148	Ras Dara.....	do.	2,495
Kaifong.....	do.	1,025	Robert K. (sail).....	American	320
Kurdistan.....	do.	1,920	Remuls.....	do.	487
Kurmum.....	do.	4,897	Riverdale.....	British	2,752
Kingsley.....	do.	419	Recorder.....	do.	677
Koenigsberg.....	German	3,125	Shawmut.....	American	6,195
Kansu.....	British	1,143	Sungkiang.....	British	1,021
Kampot.....	French	415	Singora.....	German	1,645
Kennebec.....	British	3,301	Shimesa.....	British	2,699
Karin.....	Swedish	698	Satsuma.....	do.	2,600
Kelvin.....	British	2,265	Sagami.....	do.	2,667
Knight Commander.....	do.	2,716	Segovia.....	German	3,796
Leongsang.....	do.	1,693	Sishan.....	British	845
Lincolnshire.....	do.	2,567	Salamanca.....	do.	883
Lyra.....	American	4,417	St. George.....	do.	2,673
Lena.....	Norwegian	978	Skud.....	Norwegian	913
Lillebone (sail).....	American	207	Scotchman.....	American	1,064
Lowther Castle.....	British	2,961	Strathgyle.....	British	3,284
Lydia.....	German	1,791	San Joaquin.....	American	337
Laes.....	French	2,495	St. Fillians.....	British	2,307
Lugano.....	German	2,162	Siberia.....	American	5,655
Legaspi.....	American	563	St. Bede.....	British	2,282
Louisiana (sail).....	do.	1,343	Snow and Burgess.....	American	1,528
Moyunc.....	British	3,016	Seneca.....	British	3,172
Montañez.....	American	222	Sikh.....	do.	3,216
Magallanes.....	do.	832	Thimis.....	Norwegian	1,208
Minerva II.....	do.	494	Trites.....	German	1,033
Minas de Bataan.....	do.	1,214	Tremont.....	American	6,195
M. Struve.....	German	166	Tsina.....	British	1,460
Machaon.....	British	4,276	Tai Lee.....	German	828
Manaton.....	do.	2,623	Trebia.....	British	2,343
Monmouthshire.....	do.	3,297	Telemachus.....	do.	4,802
Mogul.....	do.	2,353	Talyan.....	do.	1,459
Mathilde.....	German	679	Trigloo.....	Austrian	618
Meissen.....	do.	2,833	Tencer.....	British	.....
Manila.....	do.	1,108	Terfe Viken.....	Norwegian	2,304
Mongolia.....	American	8,750	Tarlac.....	American	525
Mauban.....	do.	710	Thyra.....	Norwegian	2,419
Neil Macleod.....	do.	688	Tetartes.....	German	1,578
Nanyang.....	German	1,060	Tavalas.....	American	121
Ningchon.....	British	4,834	Tiberius.....	German	2,751
Nubia.....	German	2,231	Tydeus.....	British	4,799
Nordkyn.....	Norwegian	2,104	Tanning.....	do.	1,350
Norwood (sail).....	British	1,597	Tea.....	do.	1,345
Nena.....	do.	1,066	Troop.....	do.	1,525
Nippon Maru.....	Japanese	3,506	Theodor Wille.....	German	2,286
Nicomedia.....	German	2,808	Union.....	American	428
Newton Hall.....	British	2,673	Umballa.....	British	3,426
Nithsdale.....	do.	2,233	Udine.....	Norwegian	1,017
Omba.....	do.	1,908	Umba.....	British	3,451
Oanfa.....	do.	3,145	Ujfa.....	do.	3,426
Orange Branch.....	do.	2,156	Ulysses.....	do.	2,281
Okhla.....	do.	3,436	Upada.....	do.	3,382
Oolabaria.....	do.	3,420	Verawa.....	do.	2,158
Oscar II.....	Norwegian	2,000	Verona.....	German	3,036
Oro.....	British	2,146	Victoria.....	Swedish	988
Okanogan (sail).....	do.	666	Vizeava.....	American	719
			Virginia.....	British	2,790

Statement of foreign vessels engaged in trade between the Philippine Islands and foreign ports during fiscal year 1904, showing name and flag—Continued.

Name of vessel.	Flag.	Ton- nage.	Name of vessel.	Flag.	Ton- nage.
W. F. Garms (sail).....	American.....	972	Yangtze.....	British.....	4,148
Wuchang.....	British.....	801	Yoneama Maru.....	Japanese.....	1,953
Windson.....	do.....	1,853	Y. Sontua.....	American.....	585
Workfield.....	do.....	2,760	Yola.....	British.....	1,407
Xania.....	Russian.....	2,032	Yeddo.....	do.....	2,403
Yuensang.....	British.....	1,128	Zafiro.....	do.....	1,611
Yawata Maru.....	Japanese.....	2,367			

Vessels not otherwise marked are steamers.

Statement of licenses issued at the port of Manila, P. I., showing the tonnage of each class with the number of certificates of protection issued at different ports in the Philippine Islands during the period between January 1, 1900, and June 30, 1904.

COASTWISE VESSELS.

Class of vessel.	1900.	1901.	1902.	1903.	Jan. 1 to June 30, 1904.	Total to date.
First class.....	224	250	284	433	381	1,572
Second class.....	646	907	952	36		2,541
Special coastwise, foreign.....			2	23	4	29
Special, under 15 tons.....	3,715	7,391	5,127	1,623	1,104	18,960
Lighterage and harbor.....			86	787	568	1,441
Total number.....	4,585	8,548	6,451	2,902	2,057	24,583

TONNAGE OF VESSELS.

First class.....	37,618.29	37,250.05	38,524.13	39,760.22	45,403.30	198,555.99
Second class.....	26,167.96	33,238.17	32,525.29	2,014.96		93,946.38
Special coastwise, foreign.....			981.32	4,296.49	640.40	5,918.21
Special, under 15 tons.....	6,764.89	14,463.46	12,099.17	7,543.17	5,618.65	46,489.34
Lighterage and harbor.....			5,924.07	33,963.78	26,110.67	65,998.52
Total tonnage.....	70,551.14	84,951.68	90,053.98	87,578.62	77,773.02	410,908.41

Certificates of protection issued in the Philippine Islands from January, 1900, to June 30, 1904.

Port of --	Number of certifi- cates.
Manila.....	2,049
Iloilo.....	787
Cebu.....	1,871
Zamboanga.....	37
Jolo.....	35
Aparri.....	62
Total.....	4,841

Statement of produce and merchandise received at all ports in the Philippine Islands on vessels engaged in coastwise trade during the first six months of 1904, as shown by coastwise manifests.

[This report covers coastwise trade only, but embraces all classes of merchandise carried between ports in the Philippine Islands on coastwise vessels.]

Port at which received.	Hemp.	Rice.	Copra.	Tobacco.	Timber.	Lumber.
	<i>Bales.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Cubic feet.</i>	<i>M feet.</i>
Manila.....	515, 163	737, 294	5, 940, 463	4, 031, 395	175, 481	8, 562
Cebu.....	106, 959	1, 408, 370	776, 585	186, 770	330	127
Iloilo.....	623	340, 345	5, 140	389, 490	22, 275	21
Jolo.....		97, 443	2, 120	3, 235	50	36
Zamboanga.....	415	330, 239	4, 670	6, 475	4, 050	156
Bongao.....						
Puerto Princesa.....		20, 875		225		
Cape Melville.....						
Balabac.....		390		500		
Total.....	623, 160	2, 934, 946	6, 728, 978	4, 618, 090	202, 186	8, 902

Port at which received.	Coal.	Charcoal, firewood.	Brick tiling.	Sugar.	General merchandise.	Miscellaneous.
	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>
Manila.....	43, 524	3, 333, 546		4, 985, 940	473, 175	2, 732, 731
Cebu.....		20, 900	7, 000	213, 490	1, 202, 560	4, 361, 063
Iloilo.....	200, 000	1, 977, 410	2, 680	33, 079, 704	986, 670	3, 231, 671
Jolo.....		809, 000		8, 150	62, 260	26, 920
Zamboanga.....	940, 000	4, 100	18, 500	26, 150	346, 120	47, 410
Bongao.....					780	1, 240
Puerto Princesa.....				735	23, 750	
Cape Melville.....				70		3, 700
Balabac.....					5, 200	1, 000
Total.....	1, 183, 524	6, 144, 956	28, 100	38, 314, 239	3, 100, 515	10, 406, 635

Shipments on coastwise vessels.

Port from which shipped.	Hemp.	Rice.	Copra.	Tobacco.	Timber.	Lumber.
	<i>Bales.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Cubic feet.</i>	<i>M feet.</i>
Manila.....	2, 761	78, 213, 093	350	141, 479	8, 080	216
Cebu.....	24, 343	23, 134, 498	1, 025, 168	198, 761	3, 800	2
Iloilo.....	458	6, 132, 292	5, 400	90, 160	9, 160	150
Jolo.....	3, 943	95, 100	260	710		
Zamboanga.....	812	132, 626	2, 663	400	5, 805	22
Bongao.....						
Puerto Princesa.....		812		30	105, 340	
Cape Melville.....				520		
Balabac.....						
Total.....	32, 317	107, 708, 421	1, 033, 841	432, 060	132, 185	390

Port from which shipped.	Coal.	Charcoal, firewood.	Brick tiling.	Sugar.	General merchandise.	Miscellaneous.
	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>
Manila.....	6, 902, 750		82, 376	22, 645	13, 910, 209	5, 850, 717
Cebu.....	395, 524	3, 500	9, 000	131, 400	2, 483, 901	3, 407, 345
Iloilo.....	210, 420	87, 760	246, 850	3, 842, 455	1, 650, 475	4, 191, 940
Jolo.....				6, 000	40, 235	25, 505
Zamboanga.....		1, 000		17, 005	129, 100	138, 770
Bongao.....						
Puerto Princesa.....		47, 200			1, 200	23, 950
Cape Melville.....				90	800	8, 850
Balabac.....					1, 000	
Total.....	7, 508, 694	139, 460	338, 226	4, 019, 595	18, 216, 920	13, 647, 077

Live stock and machinery received and shipped on coastwise vessels.

Port.	Swine.		Cattle.		Horses.		Machinery.	
	Re- ceived.	Shipped.	Re- ceived.	Shipped.	Re- ceived.	Shipped.	Re- ceived.	Shipped.
Manila.....	7,843	625	1,585	450	588	61	<i>Kilos.</i> 650	<i>Kilos.</i> 11,556
Cebu.....	153	86	145	33	89	135	6,218	4,724
Iloilo.....	169	2	934	419	88	53	3,205	23,749
Jolo.....	250	5		71		17	45	
Zamboanga.....		206	179		4	1		
Total.....	8,424	924	2,843	979	769	267	10,118	40,029

Nearly all of the rice received at the port of Manila from coastwise ports was unhusked rice, better known as palay, and chiefly used for horse feed. The rice shipped from the port of Manila, and shipped from and received at all other entry ports, was almost exclusively merchantable husked rice.

The number of ports to which Manila made coastwise shipments was 133, Cebu 153, Iloilo 119, Jolo 13, Zamboanga 17, Puerto Princesa 5, Cape Melville 2, Balabac 1.

The number of coastwise ports from which Manila received shipments was 136, Cebu 90, Iloilo 106, Jolo 8, Zamboanga 18, Bongao 1, Balabac 2.

Receipts and shipments by railroad are not included.

IMMIGRATION AND EMIGRATION.

The tables following illustrate the immigration to the Philippine Islands from January, 1900, when the customs bureau took over from the captain of the port the immigration branch of the service, to June 30, 1904. Reliable data for previous period in regard to immigration are not available. The tables show the various nationalities arriving, and for the first six months of the year 1904 they show, by nationality, the passengers departing for foreign ports. The records are incomplete as to passengers departing on United States army transports, and for the earliest periods also incomplete as to passengers arriving on United States army transports. During the period of American occupation there appears to have been a gain of 8,624 in Chinese population in the Philippine Islands by reason of excess of arrivals over departures. Many Chinese left the Philippine Islands during the insurrection troubles, returning when serious local disturbances terminated. The work of registering Chinese has shown their actual number to be only about one-half the early estimates thereof, which were placed at 100,000, whereas the number actually registered to September 1, 1904, was only 50,313, and the registration is as thorough and complete as is possible.

Statement of Chinese immigrants arrived at and departed from the port of Manila during the period from January 1, 1899, to June 30, 1904, by calendar years.

Year.	Arrived.	Departed.
1899.....	13,308	9,458
1900.....	9,768	10,568
1901.....	10,300	7,294
1902.....	9,789	6,550
1903.....	7,426	8,068
January 1 to June 30, 1904.....	4,632	4,112
Total to June 30, 1904.....	55,232	46,050

Excess of arrivals over departures, 9,182.

Statement of Chinese arriving and departing from all ports in the Philippine Islands during the period from January, 1899, to June 30, 1904.

Port.	Arrived.	Departed.
Manila.....	55,232	46,050
Cebu.....	651	984
Iloilo.....	1,053	1,318
Jolo.....	897	649
Siasi.....	27	27
Zamboanga.....	263	471
Balabac.....	3	2
Cape Melville.....	3	4
Total.....	58,129	49,505

Excess of arrivals over departures, 8,624.

Statement of immigrants arriving at all ports in the Philippine Islands during the two fiscal years ending June 30, 1904.

Port.	Fiscal year 1903.				Fiscal year 1904.			
	Ameri- can.	Euro- pean.	All other.	Total.	Ameri- can.	Euro- pean.	All other.	Total.
Manila.....	10,878	1,654	10,483	23,015	13,115	1,515	12,309	26,939
Cebu.....	18	8	252	278	19	10	215	244
Iloilo.....	20	39	200	259	9	8	318	335
Jolo.....	2	3	242	278	6	20	290	316
Zamboanga.....	2	6	119	127	2	6	123	131
Puerto Princesa.....						1	3	1
Bongao.....							5	3
Cape Melville.....							5	5
Balabac.....							14	14
Total.....	10,920	1,710	11,296	23,926	13,151	1,569	13,277	27,968

Of the total number of immigrants arrived in the Philippine Islands during the fiscal year 1904, 2,270 were Japanese, as against 1,123 for the previous fiscal year. Of the Japanese immigrants arrived in 1904, 2,608 were males and 162 females. Of the Japanese immigrants arrived during the fiscal year 1903, 786 were males and 337 females.

Report of passengers departing for foreign ports from the port of Manila, P. I., during the first half of the year 1904.

Nationality.	Destined for—							Total.
	United States.	Eng- land.	Hong- kong.	Amoy.	Singa- pore.	Spain.	Other coun- tries.	
Americans.....	299		1,000		54		56	1,418
Filipinos.....	371		204	42	30	34	18	609
Spaniards.....	14		71		26	330	4	445
Germans.....	1		46		11	4	4	68
Chinese.....			1,228	2,514	2		1	3,745
English.....	1	2	130		23	3	31	180
French.....			19		9	1		29
Scandinavian.....			6		1			7
East Indians.....			54		80		1	135
Russian.....			7		4			11
Japanese.....	1		109		8		159	277
Cuban.....			1					1
Irish.....			1					1
Portuguese.....			32				2	34
Scotch.....	6	1	1				1	9
All other.....			64		18	11	36	129
Total.....	693	3	2,982	2,556	266	383	313	7,196

Report of passengers departing for foreign ports from all ports of the Philippine Islands during the first half of the year 1904.

Nationality.	Destined for—							Total.
	United States.	Eng- land.	Hong- kong.	Amoy.	Singa- pore.	Spain.	Other coun- tries.	
Americans.....	299		1,010		555	1	74	1,438
Filipinos.....	371		237	42	32	34	35	751
Spaniards.....	14		73		26	330	6	449
Germans.....	1		46		12	4	6	69
Chinese.....			1,480	2,522	48		62	4,112
English.....	1	2	131		30	3	33	200
French.....			19		9	1		29
Scandinavian.....			6		1			7
East Indians.....			54		82		10	146
Russian.....			7		4			11
Japanese.....	1		112		8		163	284
Cuban.....			1					1
Irish.....			1					1
Portuguese.....			32				2	34
Polish.....					2		13	15
Scotch.....	6	1	1				1	9
All other.....			64		26	11	57	158
Total.....	693	3	3,274	2,564	335	383	462	7,114

Total number of passengers departing from the various ports for foreign countries during first six months of 1904.

Port of—	Number of passengers.
Manila.....	7,196
Cebu.....	105
Jolo.....	132
Iloilo.....	209
Zamboanga.....	43
Bongao.....	1
Balabac.....	24
Cape Melville.....	4
Total.....	7,714

No statistical record of passengers departing for foreign ports prior to January 1, 1901. These data are taken from outward foreign passenger manifests.

Total male, 6,735; total female, 919; total under 15, 292; total between 15 and 45, 6,868; over 45, 554. First-class ticket, 2,105; second-class ticket, 323; third-class ticket, 5,296.

APPENDIX B.

VESSELS INSPECTED AND GRANTED CERTIFICATES AT THE PORT OF MANILA
FROM JULY 1, 1903, TO SEPTEMBER 1, 1904.

Name.	Gross tons.	Class.	Name.	Gross tons.	Class.
Adela.....	33.22	Steam launch.	Chas. H. Treat.....	40.44	Steamer.
Adelante.....	186.99	Steamer.	Chicago.....	201.24	Do.
Aeolus.....	511.00	Do.	Churruca.....	630.64	Do.
Alabama.....	50.00	Do.	Colon.....	11.87	Steam launch.
Alfred.....	219.00	Do.	Columbia.....	61.52	Steamer.
Alice.....	15.90	Steam launch.	Comillas.....	50.25	Steam launch.
Alpha.....	132.00	Steamer.	Comodore.....	7.58	Gasoline launch.
Amalia.....	4.91	Steam launch.	Compañia Filipinas.....	707.84	Steamer.
Amelia.....	51.13	Do.	Conception.....	96.63	Do.
American Eagle.....	40.41	Do.	Concha.....	47.95	Steam launch.
Amparo.....	82.96	Sail.	Cosmopolita.....	61.48	Do.
Amphibian.....	11.99	Steam launch.	Covadonga.....	36.05	Do.
Angela.....	17.23	Do.	Cuco.....	91.76	Steamer.
Angelita.....	144.56	Sail.	Dalapaon.....	109.84	Do.
Anita.....	88.00	Gasoline schooner.	Dexter.....	115.38	Sail.
Antonio.....	79.00	Steamer.	Divino Infante.....	53.05	Do.
Antonio Macleod.....	1,236.00	Do.	Dolores.....	30.84	Steam launch.
Ascension.....	634.00	Do.	Dolores.....	356.00	Sail.
Ascension.....	31.09	Steam launch.	Don Francisco.....	105.39	Steamer.
Asunson.....	53.70	Sail.	Don José.....	175.13	Do.
Atlantis.....	961.00	Steamer.	Don Vicente.....	35.11	Steam launch.
Avante.....	86.00	Do.	Dos Hermanos.....	816.02	Steamer.
Balayán.....	148.83	Do.	Dos Hermanos.....	92.76	Sail.
Belgica.....	745.00	Do.	Eclipse.....	31.48	Steam launch.
Bella Ylocano.....	52.59	Sail.	Emilia.....	435.00	Sail.
Bicol.....	20.20	Steam launch.	Erica.....	46.44	Steam launch.
Binondo.....	589.19	Steamer.	Esperanza.....	99.00	Sail.
Bolinao.....	247.00	Do.	Estrella del Norte.....	77.10	Do.
Borongon.....	184.90	Do.	Express.....	33.00	Steam launch.
Brutus.....	1,105.19	Do.	Fannie.....	79.47	Do.
Buena Suerte.....	190.23	Do.	Fe.....	6.90	Do.
Buen Viaje.....	477.00	Do.	Filipinas.....	17.27	Do.
Bukal.....	72.97	Do.	Florence S.....	140.00	Sail.
Bun-Uan.....	1,062.97	Do.	Flores de Maria.....	394.64	Do.
Camarines.....	113.00	Do.	Fook-On.....	101.00	Steamer.
Cantabria.....	1,097.00	Do.	Francisco Reyes.....	630.00	Do.
Capricho.....	57.17	Sail.	Freda.....	85.49	Do.
Cardal.....	35.19	Steam launch.	Frisco.....	27.86	Steam launch.
Carmen.....	319.15	Steamer.	Fuzzie.....	20.84	Do.
Carmen.....	37.61	Steam launch.	Germana.....	136.39	Steamer.
Carmencita.....	17.27	Do.	Gibson.....	141.81	Do.
Carmencita.....	136.97	Sail.	Gil.....	168.86	Sail.
Carolina.....	24.11	Steam launch.	Gregorio.....	134.65	Do.
Carolinas.....	210.00	Sail.	Helen.....	33.20	Steam launch.
Casador.....	207.00	Do.	Henry.....	23.70	Do.
Cebu.....	985.37	Steamer.	Ilocos.....	154.00	Steamer.
Cecil.....	174.75	Sail.	India.....	98.49	Sail.
Champalna.....	73.25	Do.	Irene.....	16.51	Steam launch.

APPENDIX B.—Vessels inspected and granted certificates at the port of Manila from July 1, 1903, to September 1, 1904—Continued.

Name.	Gross tons.	Class.	Name.	Gross tons.	Class.
Isabella No. 1.....	221.63	Steamer.	Pleguezuelo.....	664.00	Steamer.
J. B. Leeds.....	237.00	Sail.	Powerful.....	51.83	Steam launch.
Jesus Nazareno.....	51.01	Do.	P. Reyes.....	70.01	Steamer.
Juanita.....	87.17	Do.	Ramoncito.....	93.37	Sail.
Juanito.....	38.95	Steam launch.	Reginita.....	29.37	Steam launch.
Juan Rodriguez.....	524.81	Steamer.	Remedio.....	42.83	Do.
Juno.....	482.82	Do.	Resurreccion.....	218.00	Steamer.
Kababayan.....	85.40	Do.	Robert K.....	322.51	Do.
Kaibigan.....	85.00	Do.	Romulus.....	830.00	Do.
Kalibeño.....	326.36	Do.	Rosal.....	60.41	Sail.
Kamkai.....	38.32	Steam launch.	San Francisco.....	356.29	Steamer.
Kathleen.....	60.92	Steamer.	San Francisco.....	98.00	Sail.
Kentucky.....	3.42	Steam launch.	San Ignacio.....	87.00	Do.
Kodiak.....	146.00	Sail.	San Joaquin.....	523.00	Steamer.
Lal-Loc.....	366.25	Steamer.	San Juan.....	498.00	Do.
La P. Concepcion.....	106.00	Sail.	San Leon.....	65.86	Sail.
Legaspi.....	914.32	Steamer.	San Luis.....	89.48	Do.
Leyte.....	43.94	Steam launch.	San Nicolas.....	265.56	Steamer.
Lilly.....	188.00	Sail.	San Nicolas.....	15.07	Steam launch.
Lorenza.....	83.34	Do.	San Pablo.....	52.83	Sail.
Luisito.....	28.18	Steam launch.	San Pedro.....	152.62	Steamer.
Loyala.....	411.00	Sail.	San Pedro y San Pablo.....	54.73	Sail.
Lucas.....	92.02	Steamer.	Santa Cruz.....	90.23	Steamer.
Lucia.....	172.65	Sail.	Santa Filomena Esmeralda.....	84.45	Sail.
Mabait.....	54.27	Steam launch.	Santalón.....	104.00	Steam water boat.
Mabilis.....	31.98	Do.	Santa Lucia.....	64.01	Sail.
Macaulay.....	39.46	Do.	Santa Maria de Ripoli.....	140.00	Do.
Madaly.....	105.73	Steamer.	Santander.....	583.83	Steamer.
Madge.....	30.43	Steam launch.	Santa Rosa.....	84.37	Do.
Magallanes.....	1,321.00	Steamer.	Santa Victoria.....	51.81	Sail.
Malicet.....	20.74	Steam launch.	Santiago.....	90.00	Sail lorch.
Manuel.....	106.42	Sail.	Santiago.....	50.01	Sail.
Maria.....	62.76	Do.	Santissima Trinidad.....	41.65	Steam launch.
Maria Pilar.....	80.91	Do.	Sara.....	141.00	Sail.
Mariquito.....	36.73	Steam launch.	Sardis.....	165.08	Do.
Mascot.....	28.72	Do.	S. Don Francisco.....	105.39	Steamer.
Mathilde.....	431.91	Sail.	Sherman.....	26.19	Steam launch.
Matipid.....	270.00	Steamer.	Simplicio de la Rama.....	30.00	Do.
Matulin.....	55.79	Steam launch.	Sofia.....	33.95	Do.
Mauban.....	1,800.00	Steamer.	Sorsogon.....	680.91	Steamer.
Mayo.....	222.93	Sail.	Sundawn.....	51.00	Do.
Mayon.....	124.33	Steamer.	Taaleña.....	275.63	Do.
Meiko-Marú.....	199.64	Do.	Tagadito.....	54.27	Steam launch.
Mercedes.....	5.87	Steam launch.	Taiyo.....	500.00	Sail.
Minas de Bataan.....	1,200.00	Steamer.	Tarlac.....	527.00	Steamer.
Minerva II.....	597.00	Sail.	Tayabas.....	193.00	Do.
Mont.....	33.48	Steam launch.	Texas.....	55.00	Steam launch.
Nable.....	19.55	Do.	Tommy.....	5.29	Do.
Nazarene.....	157.74	Steamer.	Traveller.....	12.85	Do.
Neil Macleod.....	1,087.67	Do.	Tubig.....	108.00	Steamer.
Nena.....	51.00	Steam launch.	Vasco Navarro.....	147.77	Do.
New York.....	22.71	Do.	Ventura.....	41.76	Steam launch.
N. S. de Begoña.....	445.71	Steamer.	Venus.....	614.00	Steamer.
N. S. de Gracia.....	166.65	Do.	Victoria.....	240.41	Do.
N. S. de Lourdes.....	315.18	Sail.	Victoria.....	31.42	Steam launch.
N. S. de Nazagante.....	76.01	Do.	Vigilante.....	17.21	Do.
N. S. del Rosario.....	714.74	Steamer.	Villa de Rivadavia.....	244.45	Sail.
N. S. del Rosario.....	216.17	Sail.	Viscaya.....	1,007.71	Steamer.
Nuevo Rosario.....	946.00	Do.	Union.....	700.94	Do.
Oregon.....	144.48	Steamer.	Unisan.....	74.94	Sail.
Pagsanjan.....	90.27	Do.	Yruña.....	750.00	Steamer.
Pamplona.....	270.00	Sail.	Ysabel I.....	163.78	Do.
Patria.....	44.41	Steam launch.	Ysabel.....	221.63	Do.
Paz.....	10.58	Do.	Y. Sontua.....	785.98	Do.
P. Concepcion.....	96.65	Steamer.	Zaragoza.....	159.87	Sail.
Pepe.....	33.68	Steam launch.			
Pepita.....	150.52	Sail.			
Perla del Oceano.....	215.49	Do.			
Perlas.....	244.00	Do.			
Pioneer.....	105.23	Steamer.			

APPENDIX C-1.

OFFICIAL NUMBERS AND SIGNAL LETTERS OF COASTWISE VESSELS.

The work of assigning official numbers to vessels of over 5 tons capacity began January 2, 1904. During the six months to June 30, 1904, official numbers were assigned to 2,548 vessels and official numbers and signal letters were assigned to 325 vessels, including nearly all of the larger vessels engaged in general coastwise trade in the Philippine Islands.

The list thereof is as follows:

Coastwise vessels having official numbers and signal letters.

Vessel.	Rig.	Ton- nage.	Official num- ber.	Signal letters.	Home port.
Abeja.....	Sail.....	45.97	170309	M. B. J. P.	Iloilo.
Adelante.....	Steamer.....	99.75	170286	M. B. J. H.	Manila.
Aeolus.....	do.....	426.53	171779	M. C. G. V.	Do.
Africa.....	Sail.....	43.53	171001	M. C. B. Q.	Iloilo.
Agapita.....	do.....	34.94	171118	M. C. B. W.	Do.
Alfred.....	Steamer.....	117.60	170034	M. B. C. T.	Manila.
Amelia.....	Steam launch.....	31.67	170516	M. B. S. D.	Do.
Angela.....	Sail.....	34.53	170310	M. B. J. Q.	Iloilo.
Anita.....	do.....	83.00	171650	M. C. G. F.	Manila.
Antonia.....	do.....	38.74	170311	M. B. J. R.	Iloilo.
Antonio.....	Steam launch.....	46.63	170086	M. B. D. K.	Manila.
Antonio Macleod.....	Steamer.....	812.22	170813	M. B. V. W.	Do.
Anunciacion.....	Sail.....	54.63	170312	M. B. J. S.	Iloilo.
Apalisoe.....	do.....	20.80	170276	M. B. H. W.	Cebu.
Arbotante.....	do.....	37.10	171913	M. C. H. L.	Do.
Armando.....	do.....	22.99	170313	M. B. J. T.	Iloilo.
Asuncion.....	do.....	53.70	172159	M. C. J. P.	Do.
Ataby.....	do.....	17.25	170557	M. B. S. K.	Cebu.
Atanasio.....	do.....	60.13	170244	M. B. H. J.	Do.
Atienza.....	do.....	49.61	170314	M. B. J. V.	Iloilo.
Atlantis.....	Steamer.....	960.83	171638	M. C. F. V.	Manila.
Aulestia.....	Sail.....	84.42	171119	M. C. D. B.	Do.
Bais.....	Steamer.....	92.98	170240	M. B. H. L.	Cebu.
Balayán.....	do.....	48.87	170637	M. B. T. F.	Manila.
Basilisá.....	Sail.....	37.32	170697	M. B. T. G.	Iloilo.
Bebeng.....	do.....	16.64	171445	M. C. F. D.	Do.
Belgika.....	Steamer.....	536.40	170814	M. B. W. C.	Manila.
Benita.....	Sail.....	48.35	170315	M. B. J. W.	Iloilo.
Betina.....	do.....	42.01	170698	M. B. T. H.	Do.
Bilbao.....	do.....	45.67	170316	M. B. K. C.	Do.
Binondo.....	Steamer.....	431.03	172355	M. C. J. K.	Manila.
Bohol.....	do.....	129.97	170253	M. B. H. N.	Do.
Bollinao.....	do.....	120.00	170054	M. B. C. V.	Do.
Borongán.....	do.....	184.91	170088	M. B. D. N.	Do.
Brutus.....	do.....	702.00	170187	M. B. G. C.	Do.
Buen Viaje.....	do.....	273.06	171749	M. C. G. R.	Do.
Buena Suerte.....	do.....	141.89	170584	M. B. S. T.	Do.
Bukal.....	do.....	51.27	170028	M. B. C. Q.	Do.
Butuan.....	do.....	337.36	170185	M. B. F. V.	Do.
Cabanbanan.....	do.....	56.91	170376	M. B. Q. C.	Iloilo.
Cadiz.....	Sail.....	56.11	170731	M. B. V. L.	Manila.
Camarines.....	Steamer.....	114.00	170760	M. B. V. R.	Do.
Candaguít.....	Sail.....	49.79	170385	M. B. Q. P.	Iloilo.
Candelario.....	do.....	19.87	170551	M. B. S. G.	Cebu.
Canisi.....	do.....	51.21	170386	M. B. Q. R.	Iloilo.
Cantabria.....	Steamer.....	679.99	170573	M. B. S. Q.	Manila.
Caridad.....	Sail.....	58.63	170317	M. B. K. D.	Iloilo.
Caridad.....	do.....	30.88	170699	M. B. T. J.	Do.
Carlota.....	do.....	49.83	170318	M. B. K. F.	Do.
Carmen.....	Steamer.....	266.68	170402	M. B. R. J.	Manila.
Carmen.....	Sail.....	44.84	171723	M. C. G. L.	Iloilo.
Carmenita.....	do.....	38.76	170319	M. B. K. G.	Do.
Carolinás.....	do.....	204.77	170100	M. B. F. C.	Manila.
Casante.....	do.....	53.98	170320	M. B. K. H.	Iloilo.
Catalina.....	do.....	31.36	170321	M. B. K. G.	Do.
Catillochu.....	Steam launch.....	18.99	170085	M. B. D. J.	Manila.
Cazador.....	Sail.....	207.75	170089	M. B. D. P.	Do.
Cebu.....	Steamer.....	648.00	170398	M. B. R. H.	Do.
Cecilio.....	Sail.....	170.19	170230	M. B. H. D.	Do.
Cefirino Llorente.....	Steamer.....	73.74	170231	M. B. G. H.	Cebu.
Centimoa.....	do.....	37.65	170322	M. B. K. L.	Iloilo.
Champaña.....	Sail.....	73.25	170081	M. B. D. G.	Manila.
Chicago.....	Steamer.....	154.81	170395	M. B. R. F.	Do.
Churruca.....	do.....	486.69	170630	M. C. B. D.	Do.
Cinta.....	Sail.....	30.39	170377	M. B. Q. D.	Iloilo.
Comp. de Filipinas.....	Steamer.....	397.16	170012	M. B. C. G.	Manila.

Coastwise vessels having official numbers and signal letters—Continued.

Vessel.	Rig.	Tonnage.	Official number.	Signal letters.	Home port.
Compasion.....	Sail.....	20.86	171120	M. C. D. F.	Iloilo.
Concepcion.....	do.....	48.44	170700	M. B. T. K.	Do.
Consolacion.....	do.....	17.42	170283	M. B. J. F.	Cebu.
Corolla.....	do.....	44.82	170323	M. B. K. N.	Iloilo.
Coquinera.....	do.....	32.39	170387	M. B. Q. S.	Do.
Covadonga.....	do.....	37.97	170378	M. B. Q. F.	Do.
Cuatro Hermanos.....	do.....	32.43	171121	M. C. D. G.	Manila.
Cuco.....	Steamer.....		170168	M. B. F. P.	Sunk.
Dado.....	Sail.....	49.88	171003	M. C. B. S.	Iloilo.
Dalupaon.....	Steamer.....	55.84	170277	M. B. J. C.	Manila.
David.....	Sail.....	23.76	170560	M. B. S. N.	Cebu.
Dalia.....	do.....	41.44	170701	M. B. T. L.	Iloilo.
Dexter.....	do.....	115.38	171583	M. C. F. T.	Manila.
Diamantina.....	do.....	36.44	170324	M. B. K. T.	Iloilo.
Diego.....	do.....	61.93	170883	M. B. W. N.	Cebu.
Diva.....	do.....	32.34	171934	M. C. H. N.	Iloilo.
Dolores.....	do.....	49.31	170379	M. B. Q. G.	Do.
Don Engracio.....	Steamer.....	260.48	170016	M. B. C. J.	Manila.
Don Francisco.....	do.....	57.26	171642	M. C. G. B.	Do.
Don José.....	do.....	86.84	170043	M. B. D. S.	Do.
Doña Dominga.....	do.....	65.62	170026	M. B. C. N.	Do.
Dos Hermanos.....	Sail.....	89.83	170968	M. C. B. K.	Do.
Dos Hermanos.....	Steamer.....	540.67	170008	M. B. C. D.	Do.
Elcano.....	do.....	518.00	170929	M. B. W. V.	Do.
Emila.....	Sail.....	435.69	170514	M. B. R. T.	Do.
Emilia.....	do.....	66.91	170325	M. B. K. Q.	Iloilo.
Emma.....	do.....	45.22	170702	M. B. T. N.	Do.
Emperatrix.....	do.....	35.99	170326	M. B. K. R.	Do.
Emuy.....	do.....	43.09	171935	M. C. H. P.	Do.
Escocia.....	do.....	35.56	170327	M. B. K. S.	Do.
España.....	do.....	42.49	170328	M. B. K. T.	Do.
Esperanza.....	do.....	70.89	170885	M. B. W. Q.	Cebu.
Esperanza.....	do.....	99.29	171152	M. C. D. P.	Manila.
Esperanza.....	do.....	40.24	171852	M. C. H. B.	Iloilo.
Estella.....	do.....	41.86	170329	M. B. K. V.	Do.
Estrella.....	do.....	45.91	170330	M. B. K. W.	Do.
Estrella del Norte.....	do.....	77.10	170296	M. B. J. L.	Manila.
Eulalia.....	do.....	48.43	170340	M. B. Q. H.	Iloilo.
Euskara.....	do.....	67.72	172460	M. C. J. Q.	Do.
Express.....	Steam launch.....	33.90	170331	M. B. L. C.	Do.
F. Pleguezuelo.....	Steamer.....	460.42	170957	M. B. D. F.	Manila.
Faith.....	Sail.....	22.58	170552	M. B. S. H.	Cebu.
Falconete.....	do.....	25.12	170968	M. B. H. T.	Do.
Fé.....	do.....	49.46	170332	M. B. L. D.	Iloilo.
Fé.....	do.....	47.29	171724	M. C. G. N.	Do.
Felipa.....	do.....	52.36	170333	M. B. L. F.	Do.
Fernando.....	Steam launch.....	21.46	170334	M. B. L. G.	Do.
Filipina.....	Sail.....	51.70	170335	M. B. L. H.	Do.
Filipino.....	Steamer.....	84.81	170630	M. B. C. S.	Manila.
Flor.....	Sail.....	52.62	172368	M. C. J. H.	Iloilo.
Flores de María.....	do.....	289.94	171655	M. C. G. H.	Manila.
Florence S.....	do.....	140.23	171641	M. C. F. W.	Do.
Fortuna.....	Steam launch.....	24.28	170756	M. B. V. Q.	Do.
Francisco.....	Steamer.....	87.45	171122	M. C. D. H.	Iloilo.
Francisco Reyes.....	do.....	522.97	172005	M. C. H. W.	Manila.
Franz.....	Sail.....	378.62	172533	M. C. J. S.	Iloilo.
Fritz.....	Steam launch.....	30.75	170336	M. B. L. J.	Do.
General Blanco.....	Steamer.....	30.82	170337	M. B. L. K.	Manila.
Genoveva.....	Sail.....	40.69	170388	M. B. Q. T.	Iloilo.
Gemana.....	Steamer.....	88.68	170948	M. C. B. G.	Manila.
Gibson.....	do.....	62.36	171234	M. C. D. S.	Do.
Gloria.....	do.....	137.93	170978	M. C. B. L.	Do.
Gonzales.....	do.....	89.23	170703	M. D. P. T.	Iloilo.
Gregoria.....	Sail.....	134.65	170907	M. B. T. C.	Manila.
Gregoria.....	do.....	31.11	170338	M. B. L. N.	Do.
Hada.....	do.....	42.25	170704	M. B. T. Q.	Iloilo.
Hermanos.....	Steamer.....	113.47	170561	M. B. S. P.	Cebu.
Herrera.....	do.....	88.17	170238	M. B. G. R.	Do.
Hidalgo.....	Sail.....	35.31	170705	M. B. T. R.	Iloilo.
Hidolfast.....	Steam launch.....	28.92	170339	M. B. L. P.	Manila.
Hortencia.....	Sail.....	35.14	170381	M. B. Q. J.	Iloilo.
Icon.....	do.....	58.82	171001	M. C. B. T.	Do.
Igancia Javellana.....	do.....	46.36	170706	M. B. T. S.	Do.
Ilocos.....	Steamer.....	85.24	170087	M. B. D. L.	Manila.
Ilonga.....	Sail.....	31.91	170149	M. B. R. Q.	Do.
India.....	do.....	98.49	170634	M. B. T. D.	Do.
Irene Urbina.....	Steamer.....	64.71	170243	M. B. H. G.	Cebu.
Iroquois.....	Sail.....	49.58	170382	M. B. Q. K.	Iloilo.
Iruita.....	do.....	37.81	170340	M. B. L. Q.	Do.
Isabel.....	Steam launch.....	45.51	170341	M. B. L. R.	Do.
Isabela.....	Sail.....	32.90	170342	M. B. L. S.	Do.

Coastwise vessels having official numbers and signal letters—Continued.

Vessel.	Rig.	Ton- nage.	Official num- ber.	Signal letters.	Home port.
Isabela	Steamer.	125.80	170242	M. B. H. F.	Cebu.
Isla de Mindano.	Sail.	33.40	170343	M. B. L. T.	Iloilo.
Isla de Negros.	Steamer.	158.56	170963	M. C. B. J.	Manila.
J. Rodriguez.	do.	388.42	170586	M. B. S. W.	Do.
Jaime Vafio.	do.	68.92	170262	M. B. H. Q.	Do.
Josefina	do.	23.81	170344	M. B. L. V.	Do.
Julia	Sail.	42.11	170707	M. B. T. V.	Iloilo.
Juliana	do.	42.40	170389	M. B. Q. V.	Do.
Juno.	Steamer.	483.00	170427	M. B. R. N.	Manila.
Justicia	Sail.	81.08	170884	M. B. W. P.	Cebu.
Kailigan.	Steamer.	190.33	170027	M. B. C. P.	Manila.
Kaliboho.	do.	221.92	171962	M. C. H. V.	Do.
La Purisima Concepcion.	Sail.	106.84	172410	M. C. J. N.	Do.
La Rosa.	Steamer.	63.15	170024	M. B. C. K.	Do.
Lal-loc.	do.	184.91	170144	M. B. F. G.	Do.
Leal.	do.	23.31	171936	M. C. H. Q.	Iloilo.
Legaspi.	do.	563.20	170824	M. B. W. T.	Manila.
Leonor.	Sail.	70.17	170189	M. B. G. F.	Do.
Leonor.	do.	188.13	172127	M. C. J. D.	Do.
Leyte.	do.	20.62	170269	M. B. H. V.	Cebu.
Lila.	do.	19.90	170345	M. B. L. W.	Iloilo.
Lily.	do.	39.66	170346	M. B. S. C.	Do.
Lisium.	do.	185.55	170914	M. B. W. S.	Manila.
Lisium.	United States Army transport.			M. C. D. L.	
Loloca.	Sail.	57.11	171123	M. C. D. J.	Iloilo.
Lucia.	do.	172.65	171582	M. C. F. S.	Manila.
M. D. Montserrat.	do.	29.64	170186	M. B. F. W.	Do.
M. Yaptico.	Steamer.	88.81	170284	M. B. J. G.	Do.
Mabait.	do.	54.27	171770	M. C. G. S.	Do.
Megallanes.	do.	832.70	171154	M. C. D. Q.	Do.
Magapit.	do.	60.00	170171	M. B. F. V.	Do.
Magat.	do.	57.64	170172	M. B. F. T.	Do.
Makseutol.	Sail.	67.50	171711	M. C. G. K.	Do.
Maliesi.	Steamer.	20.74	170025	M. B. C. L.	Do.
Malithog.	do.	23.45	170266	M. B. H. S.	Do.
Manchega.	Sail.	39.79	170708	M. B. T. W.	Iloilo.
Manresa.	do.	84.42	170347	M. B. N. D.	Do.
Manuel.	do.	106.42	171332	M. C. D. V.	Manila.
Maria.	Steam launch.	42.63	170348	M. B. N. F.	Iloilo.
Maria.	Sail.	27.63	170554	M. B. S. J.	Cebu.
Maria.	do.	105.44	170396	M. B. R. G.	Manila.
Maria Christina.	do.	23.94	170863	M. B. W. G.	Cebu.
Mariana.	do.	30.69	170709	M. B. V. C.	Iloilo.
Mariposa.	Steam launch.	36.82	170150	M. B. F. L.	Manila.
Mariquita.	Sail.	61.81	170349	M. B. N. G.	Iloilo.
Matilde.	do.	431.91	170091	M. B. D. R.	Manila.
Mutipid.	Steamer.	153.45	171230	M. C. D. R.	Do.
Mauban.	do.	790.71	170013	M. B. C. H.	Do.
Maximo.	Sail.	15.41	170539	M. B. S. L.	Cebu.
Mayo.	do.	221.92	170188	M. B. G. D.	Manila.
Miko-Maru.	Steamer.	123.68	171350	M. C. D. W.	Do.
Mavon.	do.	61.10	170148	M. B. F. J.	Do.
Media Luna.	Sail.	24.30	171853	M. C. H. D.	Iloilo.
Merced.	do.	57.61	170293	M. B. J. K.	Manila.
Mercedes.	do.	48.17	170350	M. B. N. H.	Iloilo.
Minas de Butan.	Steamer.	1,214.65	170754	M. B. V. P.	Manila.
Minerva II.	Sail.	494.00	170518	M. B. S. C.	Do.
Molento Melquiades.	do.	16.00	170868	M. B. W. J.	Cebu.
Moleño.	Steamer.	56.25	170383	M. B. Q. L.	Iloilo.
Montañes.	do.	222.50	170009	M. B. C. F.	Manila.
Montserrat.	Sail.	37.57	170710	M. B. V. D.	Iloilo.
Mosca.	do.	44.32	171854	M. C. H. F.	Do.
Mundaca.	Steamer.	126.10	170549	M. B. S. F.	Manila.
N. S. de Begonia.	do.	223.42	170574	M. B. S. R.	Do.
N. S. de la Paz.	Sail.	25.48	171450	M. C. F. L.	Iloilo.
N. S. del Carmen.	Steamer.	189.00	172156	M. C. J. F.	Manila.
N. S. del Carmen.	Sail.	76.32	170711	M. B. V. F.	Iloilo.
N. S. del Rosario.	do.	50.90	171451	M. C. F. N.	Do.
N. S. del Rosario.	do.	216.17	171153	M. C. F. Q.	Do.
N. S. del Rosario.	Steamer.	408.00	170817	M. B. W. D.	Manila.
Navaera.	Sail.	65.34	171124	M. C. D. K.	Iloilo.
Nazareno.	Steamer.	71.11	172974	M. C. J. B.	Manila.
Necrita.	Sail.	51.36	170451	M. B. N. J.	Iloilo.
Neil Macleod.	Steamer.	634.21	170056	M. B. D. C.	Manila.
Nenia.	Sail.	51.02	171002	M. C. R. R.	Iloilo.
Nueva Cáceres.	do.	33.99	170712	M. B. V. G.	Do.
Nueva Francisca.	do.	24.66	171725	M. C. G. P.	Do.
Nueva Luna.	do.	62.37	170352	M. B. N. K.	Do.
Olite.	do.	49.46	170353	M. B. N. L.	Do.
Oriente.	do.	97.37	171638	M. C. G. J.	Manila.

Coastwise vessels having official numbers and signal letters—Continued.

Vessel.	Rig.	Tonnage.	Official number.	Signal letters.	Home port.
Paisana	Sail	36.29	170354	M. B. N. P.	Iloilo.
Pamplona	do	238.02	170736	M. B. V. N.	Manila.
Panalaron	do	50.71	170891	M. B. W. R.	Do.
Paquita	do	53.44	170355	M. B. N. Q.	Iloilo.
Parasan	do	28.06	170454	M. B. R. S.	Manila.
Peñita	do	152.52	170167	M. B. F. N.	Do.
Pearl	do	15.54	171447	M. C. F. H.	
Perla del Oceano	do	215.49	170101	M. B. F. D.	Manila.
Pesetas	do	40.69	170390	M. B. Q. W.	Iloilo.
Pilarica	do	58.81	172461	M. C. J. R.	Do.
Pioneer	Steamer	51.54	171876	M. C. H. K.	Manila.
Prudencia	Sail	83.47	170239	M. B. G. S.	Cebu.
Purissima Concepcion	do	56.33	171937	M. C. H. R.	Iloilo.
Purissima Concepcion	Steamer	46.58	170083	M. C. B. N.	Manila.
Purissima Concepcion	Sail	106.84	172410	M. C. J. N.	Do.
R. Meliza	Steamer	169.52	170237	M. B. G. Q.	Cebu.
Rafaela	Sail	46.53	170356	M. B. N. R.	Iloilo.
Rafaela	do	61.83	170882	M. B. W. L.	Cebu.
Ramona	do	33.57	170357	M. B. N. S.	Iloilo.
Ramoncito	do	93.37	172382	M. C. J. L.	Manila.
Remedios	do	42.31	170358	M. B. N. T.	Iloilo.
Riqueza	do	48.99	171855	M. C. H. G.	Do.
Rizal	Steamer	75.10	170029	M. B. C. R.	Manila.
Robert K.	do	186.94	171580	M. C. F. R.	Do.
Romana	Sail	47.71	170359	M. B. N. V.	Iloilo.
Romulus	Steamer	487.60	171255	M. C. D. T.	Manila.
Rosa	do	101.76	170255	M. B. H. P.	Cebu.
Rosario	Sail	44.64	170360	M. B. N. W.	Iloilo.
Rosario Busuanga	do	24.91	170713	M. B. V. H.	Do.
Sacramento	United States army transport.			M. C. D. N.	
Salita	Sail	30.35	170714	M. B. V. J.	Iloilo.
Salvadora	do	38.50	171856	M. C. H. J.	Do.
Salud	do	47.30	170361	M. B. P. C.	Do.
Samar	Steamer	81.15	170236	M. B. G. P.	Manila.
San Antonio	Sail	26.20	170362	M. B. P. D.	Iloilo.
San Antonio	do	22.64	170190	M. B. G. W.	Manila.
San Antonio A Peñafort	do	81.73	171452	M. C. F. P.	Do.
San Basilio	Steamer	77.32	170240	M. B. G. T.	Cebu.
San Bernardino	do	37.29	170233	M. B. G. K.	Manila.
San Francisco	do	222.97	171847	M. C. G. W.	Do.
San Ignacio	do	87.00	170585	M. B. S. V.	Do.
San Isidro	do	105.56	170516	M. B. R. W.	Do.
San Joaquin	do	337.27	170765	M. B. V. S.	Do.
San Jorge	do	61.00	170234	M. B. G. L.	Do.
San José	Sail	54.99	170364	M. B. P. G.	Iloilo.
San José	do	41.93	170082	M. B. D. H.	Manila.
San Juan	Steamer	310.10	170426	M. B. R. L.	Do.
San Juan	Sail	47.61	171446	M. C. F. G.	Iloilo.
San Nicolas de Tolentino	do	15.79	171005	M. C. B. V.	Do.
San Rafael	Steamer	71.40	170232	M. B. G. J.	Cebu.
San Rafael	Sail	16.52	170449	M. C. F. K.	Iloilo.
Santa Ana	do	31.14	170391	M. B. R. C.	Do.
Santa Apolonia	do	17.97	170365	M. B. P. H.	Do.
Santa Emilia	do	40.39	170366	M. B. P. J.	Do.
Santa Lucia	do	64.01	170297	M. B. J. N.	Manila.
Santa Maria de Ripol	do	148.78	170932	M. C. B. F.	Do.
Santa Victoria	do	50.97	170090	M. B. D. Q.	Do.
Santo Tomas	do	45.77	171448	M. C. F. J.	Iloilo.
Sanguesa	do	51.34	170363	M. B. P. F.	Do.
Santiago	do	50.01	170403	M. B. R. K.	Manila.
Santiago	do	60.52	170245	M. B. H. K.	Cebu.
Sara	do	141.22	172253	M. C. J. G.	Manila.
Seneca	do	30.37	170881	M. B. W. K.	Cebu.
Sin Rival	do	55.82	170170	M. B. F. R.	Manila.
Sirena	do	56.50	171726	M. C. G. Q.	Iloilo.
Sofa	do	36.07	170367	M. B. P. K.	Do.
Soledad Manila	do	93.16	170653	M. C. B. H.	Manila.
Sorsogon	Steamer	420.18	170147	M. B. F. H.	Do.
Suacillo	Sail	14.72	170665	M. B. W. H.	Cebu.
Suerte	do	43.93	171938	M. C. H. S.	Iloilo.
Surgao	Steamer	111.83	170235	M. B. G. N.	Manila.
Tauloño	do	65.24	170009	M. B. D. W.	Do.
Taculin	do	70.16	170384	M. B. Q. N.	Do.
Tafalla	Sail	49.45	170368	M. B. P. L.	Iloilo.
Tagadito	Steamer	54.27	171771	M. C. G. T.	Manila.
Taiyo	Sail		170984	M. C. B. P.	Sunk.
Talisseña	do	53.53	170369	M. B. P. N.	Iloilo.
Tarlac	Steamer	525.07	170098	M. B. D. V.	Manila.
Tayabus	do	175.71	170169	M. B. F. Q.	Do.
Tigbauan	Sail	50.65	171939	M. C. H. T.	Iloilo.

Coastwise vessels having official numbers and signal letters—Continued.

Vessel.	Rig.	Ton- nage.	Official num- ber.	Signal letters.	Home port.
Tirso Lizarraga.	Steamer	97.76	170241	M. B. G. V.	Cebu.
Tres.	Sail	54.97	171417	M. C. F. B.	Do.
Tres Hermanos.	do	28.98	170860	M. B. W. F.	Do.
Triana.	do	48.93	170392	M. B. R. D.	Iloilo.
Trinidad.	do	59.79	170370	M. B. P. Q.	Cebu.
Trueno.	Steam launch	17.19	170149	M. B. F. K.	Manila.
Tudela.	Sail	49.68	170371	M. B. P. R.	Iloilo.
Union.	Steamer	428.59	170097	M. B. D. T.	Manila.
Union.	Sail	33.54	170279	M. B. J. D.	Cebu.
Unisan.	do	79.44	171645	M. C. G. D.	Manila.
Vasco Navarro.	Steamer	86.92	170515	M. B. R. V.	Do.
Venus.	do	651.86	170635	M. B. C. W.	Do.
Venus.	Sail	36.79	170372	M. B. P. S.	Iloilo.
Victoria.	Steamer	146.21	170265	M. B. H. R.	Manila.
Vida.	Sail	32.33	170373	M. B. P. T.	Iloilo.
Villa de Rivadavia.	do	244.45	170730	M. B. V. K.	Manila.
Villa de Soncillo.	do	95.86	170375	M. B. P. W.	Iloilo.
Virgen.	do	42.08	170374	M. B. P. V.	Do.
Vizcaya.	Steamer	743.50	170608	M. B. V. T.	Manila.
Y. Sontua.	do	585.57	170443	M. B. R. P.	Do.
Yruña.	do	471.00	170224	M. B. H. C.	Do.

The work of assigning official numbers and signal letters is still being carried on as rapidly as possible and is expected to be completed by the end of the calendar year.

APPENDIX C-2.

LIST OF VESSELS TO WHICH OFFICIAL NUMBERS HAVE BEEN ASSIGNED IN THE PHILIPPINE ISLANDS TO JULY 31, 1904.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
A.	Banca.	6.44	170505	Alipio Ragarit.	Tacloban.
A.	Barge.	99.28	171806	Manila Navigation Co.	Manila.
A la Copa.	Sail.	6.60	171952	Andres Arevalo.	Cebu.
Abeja.	do.	45.97	170309	Philippine Shipping Co.	Iloilo.
Abiasa.	do.	7.70	171816	Santiago Abiasa.	Cebu.
Abra de Ylog.	do.	5.49	171761	Sabas Gregorio.	Batangas.
Abril.	Steam launch.	10.68	170663	Edmundo de Aenlle.	Manila.
Acnesta.	Sail.	5.26	170912	Juan Canlas.	Cebu.
Active.	do.	5.70	172174	Nicolas Romano.	Legaspi.
Ada.	Lighter.	64.80	170041	Pasig Steamer and Lighter Co.	Manila.
Adarna.	Sail.	5.09	171559	Severo Adarna.	Cebu.
Adela.	Lighter.	67.61	170781	Manila Tug and Lighter Co.	Manila.
Adela.	Steam launch.	16.61	172639	Casimiro Oria.	Do.
Adelaida.	Lighter.	59.25	170039	Pasig Steamer and Lighter Co.	Do.
Adelante.	Steamer.	97.75	170286	Ulpiano Velasco.	Do.
Aeolus.	do.	426.53	171779	Compañia Maritima.	Do.
Afable.	Sail.	6.30	172178	Lorenza Afable.	Tacloban.
Africa.	Casco.	27.01	170251	Smith, Bell & Co.	Cebu.
Africa.	Sail.	43.53	171001	A. Asencio.	Iloilo.
Africanana.	do.	9.80	171546	Francisco Malig-on.	Cebu.
Agapita.	do.	34.94	171118	Francisco Inson.	Iloilo.
Agapita.	do.	11.30	170418	Bernardo Ordoña.	Tacloban.
Agapita.	do.	6.07	172507	Agustin Corrales.	San Juan de Buonavista.
Agatona.	Lighter.	101.47	171593	Rocha & Co.	Manila.
Agcon.	Sail.	7.77	172152	Teodoro Agcon.	Cebu.
Agno.	Steam launch.	13.28	170649	Agno Tug and Lighter Co.	Manila.
Agoho.	Sail.	5.02	172557	Andres Roa.	Cebu.
Agpasa.	do.	5.23	171204	Amadeo Agpasa.	Do.
Agumaa.	Lighter.	12.15	170452	Vicente Cinco.	Catbalogan.
Agustin.	Casco.	53.65	170112	M. B. Asensi.	Manila.
Alabama.	Steamer.	24.96	171353	Galo Lichauco.	Do.
Alarin.	Sail.	8.17	171435	Barnabe Alarin.	Cebu.
Albarado.	do.	5.44	172398	Lino Albarado.	Do.
Albay.	Lighter.	83.42	170798	Manila Shipping and Transportation Co.	Manila.
Albert.	Steam launch.	14.50	172553	do.	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Alberta.....	Sail.....	28.94	171274	Carlos Camus.....	Manila.
Alberta.....	do.....	6.82	172508	Crisanto Trinidad.....	San Juan de Buenavista.
Albor.....	do.....	6.35	172210	Juan Argab.....	Cebu.
Alegre.....	do.....	5.58	172017	Perfecto Antigua.....	Do.
Alegria.....	do.....	7.12	172138	Dalmacio Manonog.....	Do.
Alejandro.....	do.....	13.82	171433	Alejandro Realista.....	Do.
Alexandra.....	Steam launch.....	17.88	170777	Manila Tug and Lighter Co.....	Manila.
Alfonso.....	Sail.....	16.46	170566	Tomas Osmeña.....	Cebu.
Alfred.....	Steamer.....	117.60	170034	Manuel Perez.....	Manila.
Alfredo.....	Sail.....	8.32	171934	Mariano Villanueva.....	Do.
Alice.....	Steam launch.....	7.95	172095	Geo. E. Wolf.....	Do.
All Right.....	Sail.....	8.43	172558	Demetrio Bunac.....	Cebu.
Almirante.....	do.....	8.46	172554	Cesarío Cordis.....	Legaspi.
Aloysius.....	do.....	7.33	171694	Guillermo Gonzales.....	Do.
Alta Gracia.....	do.....	52.59	171629	C. Quirubin and H. Corcino.....	Vigan
Amable.....	do.....	9.48	171040	Mariano Fabie.....	Subic.
Amable.....	do.....	8.03	171063	Daniel Jugo.....	Cebu.
Amada.....	Lighter.....	80.83	170796	Manila Shipping and Transportation Co.....	Manila.
Amalia.....	do.....	146.55	170118	M. B. Asensi.....	Do.
Amalia.....	Steam launch.....	4.02	172244	Carmen Alcantara.....	Do.
Amalia.....	Casco.....	28.40	172313	Compañía Tabacalera.....	Cebu.
Amanda.....	Lighter.....	47.24	170180	M. B. Asensi.....	Manila.
Amando.....	Sail.....	10.16	171103	Venancio Cudilla.....	Iloilo.
Amante.....	do.....	9.11	172618	Engracio Ramos.....	Do.
Ambrocio.....	do.....	40.75	171034	Ambrosio Toldan.....	Catbalogan.
Ambulante.....	do.....	20.49	171741	Jose Fonafriel.....	San Fernando.
Amelia.....	Steam launch.....	31.67	170546	Jose Verches.....	Manila.
Amor.....	Lighter.....	67.94	170780	Manila Tug and Lighter Co.....	Do.
Amparado.....	Sail.....	5.34	171159	Florencio Fedelino.....	Batangas.
Amparo.....	Casco.....	31.18	170107	M. B. Asensi.....	Manila.
Amparo.....	Sail.....	5.80	170542	José P. Ramos.....	Aparri.
Amparo.....	Lighter.....	67.42	170782	Manila Tug and Lighter Co.....	Manila.
Amparo.....	Sail.....	82.96	171180	Ladislao Donato.....	Do.
Amparo.....	do.....	7.17	172254	Margarita Capistrano.....	Iloilo.
Amphibian.....	Steam launch.....	5.99	171624	M. Earnshaw & Co.....	Manila.
Ana.....	Sail.....	37.89	172243	Pasig Steamer and Lighter Co.....	Catbalogan.
Anacleta.....	do.....	5.03	172166	Catalina Suico.....	Cebu.
Anajanan.....	do.....	6.19	171116	Marcelino Castillo.....	Do.
Anas.....	do.....	11.92	171542	Anastacio Gabit.....	Do.
Andaluzia.....	do.....	21.35	172016	Eleuterio Loay.....	Do.
Andrea.....	do.....	5.68	170910	Albina Raffinau.....	Do.
Andrés.....	do.....	7.41	171480	Eugenio Riosa.....	Legaspi.
Angela.....	do.....	34.53	170310	M. Lizarraga.....	Iloilo.
Angele.....	Steam launch.....	14.51	170399	A. Barrios.....	Manila.
Angelos.....	Sunk.....		170179	(Sunk).....	
Angelita.....	Sail.....	9.27	171158	Julian Bustamante.....	Batangas.
Anguila.....	Barge.....	5.35	170643	Pedro Candido.....	Manila.
Anita.....	Steam launch.....	19.74	170728	Gregorio Ortuoste.....	Do.
Anita.....	Sail.....	83.00	171650	H. L. Heath.....	Do.
Anselma.....	do.....	10.61	171420	Pablo Aptuhan.....	Cebu.
Antipolo.....	Lighter.....	76.79	170715	José I. de Jesus.....	Manila.
Antipolo.....	Sail.....	9.76	171577	Juan Baile.....	Catbalogan.
Antipolo.....	do.....	6.97	171703	Bruno Nieto.....	Subic.
Antipolo.....	do.....	11.22	172582	Nicolas Ventero.....	Dumaguete.
Antique.....	do.....	9.33	171104	Juan Canlas.....	Iloilo.
Antonia.....	do.....	38.74	170311	Eduardo Campos.....	Do.
Antonia.....	do.....	7.21	170908	Francisco Josol.....	Cebu.
Antonio.....	Steamer.....	46.63	170086	M. B. Asensi.....	Manila.
Antonio.....	Casco.....	65.57	172315	Compañía Tabacalera.....	Cebu.
Antonio Macleod.....	Steamer.....	812.22	170813	Compañía Marítima.....	Manila.
Antonita.....	Sail.....	5.37	171028	Eusebio Mella.....	Catbalogan.
Anunciacion.....	do.....	54.63	170312	Lorenzo Guevara.....	Iloilo.
Anunciacion.....	do.....	22.02	171301	Tomas Querubin.....	Manila.
Apalisco.....	do.....	20.80	170276	Venancio Manigo.....	Cebu.
Aparri.....	Lighter.....	84.11	170184	M. B. Asensi.....	Manila.
Apostol.....	Sail.....	5.35	172309	Antonio Trinidad.....	San Jose de Buenavista.
Apura.....	Casco.....	5.50	170247	Damaso Leipon.....	Cebu.
Aragon.....	Sail.....	8.69	170417	Honorato Callosa.....	Tacloban.
Arana.....	do.....	6.26	171826	Leon Arana.....	Cebu.
Aranaydo.....	do.....	14.47	170869	Francisco Aranaydoma.....	Do.
Arbolela.....	do.....	5.54	172591	Romualdo Pirochs.....	Do.
Arbotante.....	do.....	37.10	171913	Nicolas Arbotante.....	Do.
Arceval.....	do.....	6.79	172018	Silverio Gastador.....	Do.
Arceval.....	do.....	9.30	170889	Daniel Majayag.....	Do.
Aril.....	do.....	10.80	172643	Antonio Duran.....	Tacloban.
Armado.....	do.....	22.99	170313	S. Puentevilla.....	Iloilo.
Armida.....	do.....	5.10	171025	Maximo Abillo.....	Tacloban.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Ascencion.....	Sail.	10.42	170411	Ricardo Villegas.....	Tacloban.
Ascencion.....	Steam launch.	15.54	171241	Pilar Corrales.....	Manila.
Ascencion.....	Steamer.....	329.86	172583	Juan Rodriguez.....	Do.
Asco.....	Sail.....	5.39	172027	Nicolas Arbotante.....	Cebu.
Asuncion.....	Boat.....	8.66	170572	Pablo Joya.....	Manila.
Asuncion.....	Sail.....	53.70	172459	Ciriaco Tirol.....	Iloilo.
Asuncion.....	do.....	12.73	172619	Teofilo Malanday.....	Do.
Atabay.....	do.....	17.25	170557	Gaspar Atabay.....	Cebu.
Atanasio.....	do.....	60.13	170244	Nicolas Arbotante.....	Do.
Atienza.....	do.....	49.61	170314	Anceto Lacson.....	Iloilo.
Atlantis.....	Steamer.....	960.83	171638	Luis Hidalgo.....	Manila.
Aulestia.....	Sail.....	82.80	171119	Pasig Steamer and Lighter Co.	Iloilo.
Aurelia.....	do.....	14.93	170275	Victoria Lucas.....	Cebu.
Aureliana.....	do.....	6.33	171438	Eugenio Vocal.....	Do.
Aurelio.....	do.....	11.31	170852	Modesto Flores.....	Do.
Aurora.....	Banca.....	6.20	170413	Mariano Yerro.....	Tacloban.
Aurerra.....	Sail.....	11.68	171974	Joaquin de Arano.....	Catbalogan.
Aurora.....	do.....	5.18	171361	Eduviges Esguerra.....	Do.
Australia.....	Casco.....	36.21	170250	Smith, Bell & Co.....	Cebu.
Avante.....	Steamer.....	96.94	171273	T. R. Yangco.....	Manila.
Aviles.....	Lighter.....	49.00	170137	M. B. Asensi.....	Do.
B.....	Banca.....	5.32	170841	Pascual de la Liana.....	Tacloban.
Beclayana.....	Sail.....	11.57	170990	Catalino Patis.....	Iloilo.
Bacolod.....	do.....	11.00	171105	Marcos Suarez.....	Do.
Bailon.....	do.....	8.36	170898	Protacio Jomo.....	Cebu.
Bais.....	Steamer.....	92.98	170216	Mariano G. Veloso.....	Do.
Bais.....	Sail.....	8.35	171096	Emilio Teves.....	Dumaguete.
Balabac.....	do.....	10.42	171707	Taulane.....	Balabac.
Balayon.....	Steamer.....	48.87	170637	Pedro Martinez.....	Manila.
Balayon.....	Sail.....	12.06	170866	Pio Balayon.....	Cebu.
Baleares.....	do.....	7.71	172085	Pruto Baleares.....	Do.
Baleros.....	do.....	5.54	172163	Pedro Baleros.....	Do.
Banca 1.....	Banca.....	18.29	171029	A. F. Carrick.....	Catbalogan.
Banca 2.....	do.....	9.68	171030	do.....	Do.
Banca 3.....	do.....	10.37	171031	do.....	Do.
Banca 4.....	do.....	10.76	171032	do.....	Do.
Banca 1.....	do.....	7.64	171167	Alfonso Melca.....	Do.
Banca 2.....	do.....	5.03	171168	do.....	Do.
Banca 50.....	do.....	8.01	170540	Victor Sebastian.....	Manila.
Banca 1343.....	do.....	11.00	170752	Benigno T. Cruz.....	Do.
Banca 1388.....	do.....	8.58	172494	Gavino de Jesus.....	Do.
Banca 1458.....	do.....	10.40	170653	Francisco Gaudiel.....	Do.
Banca 1710.....	Sail.....	7.97	172659	Florencia Arcega.....	Do.
Banca 1711.....	do.....	7.86	172658	do.....	Do.
Banca 1735.....	Banca.....	5.40	172122	Jacinto Reyes.....	Do.
Banca 1922.....	do.....	8.20	171153	Dalmacio Rodriguez.....	Do.
Banca 1932.....	do.....	5.47	171523	Vicente Litiatico.....	Do.
Banca 2352.....	do.....	5.72	171272	Victoriano Tamayo.....	Do.
Banca 2624.....	do.....	0.60	172652	Tiburcio Litiatico.....	Do.
Banca 3798.....	do.....	12.66	170377	Potenciano Gabriel.....	Do.
Banca 4919.....	do.....	8.40	171329	Doroteo Evangelista.....	Do.
Banca 7705.....	do.....	6.95	170722	Crisanto Jose.....	Do.
Banca 8206.....	do.....	10.36	170023	Eulalio Santos.....	Do.
Banca 8208.....	do.....	9.20	172009	Ignacio de Ureta.....	Do.
Banca 8128.....	do.....	11.79	170260	Hermogena Romero.....	Do.
Banca 8390.....	do.....	6.24	170288	do.....	Do.
Banca 8503.....	do.....	12.94	170291	do.....	Do.
Banca 8512.....	do.....	11.36	170289	do.....	Do.
Banca 8568.....	do.....	13.20	170287	do.....	Do.
Banca 8659.....	do.....	5.75	170730	Eugenio Rufino.....	Do.
Banca 8690.....	do.....	8.01	170491	Crisanto Jose.....	Do.
Banca 8801.....	do.....	9.42	170604	Bratulia Quepanco.....	Do.
Banca 9082.....	do.....	13.36	170620	Anselmo Ponce.....	Do.
Banca 9207.....	do.....	10.57	170193	Domingo Aguilar.....	Do.
Banca 9256.....	do.....	12.64	170621	Eulalio Santos.....	Do.
Banca 9317.....	do.....	9.45	170194	Gregorio Alejandro.....	Do.
Banca 9320.....	Boat.....	5.45	170299	Gaudencio Angeles.....	Do.
Banca 9354.....	Banca.....	5.99	170620	Calisto Navarro.....	Do.
Banca 9368.....	do.....	12.84	170226	Rufino Naval.....	Do.
Banca 9513.....	do.....	6.48	170486	Crisanto Jose.....	Do.
Banca 9533.....	do.....	8.63	170812	Pedro Abucan.....	Do.
Banca 9627.....	do.....	8.94	171521	Vicente Litiatico.....	Do.
Banca 9738.....	do.....	11.55	171496	do.....	Do.
Banca 9919.....	do.....	8.61	170484	Crisanto Jose.....	Do.
Banca 16192.....	do.....	13.16	170636	Engracio Jacinto.....	Do.
Banca 16193.....	do.....	12.57	170634	do.....	Do.
Banca 16195.....	do.....	11.44	170192	Domingo Aguilar.....	Do.
Banca 16197.....	do.....	9.97	170633	Josefa Evangelista.....	Do.
Banca 16198.....	do.....	6.23	170424	L. J. Araullo.....	Do.
Banca 16199.....	do.....	11.12	172271	Eugenio Rufino.....	Do.

APPENDIX C-2.—*List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.*

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Banca 16207.	Banca	5.29	170007	Mariano Sioche	Manila.
Banca 16209.	do.	5.97	171821	Marcos Bautista	Do.
Banca 16213.	do.	7.30	172192	Josela de la Peña	Do.
Banca 16253.	do.	8.61	172662	Leoncia Soriano	Do.
Banca 16254.	do.	7.54	172603	do.	Do.
Banca 16256.	do.	6.96	172604	Maria Soriano	Do.
Banca 16265.	do.	7.54	170769	Basilio Cupon	Do.
Banca 16281.	do.	8.57	171801	Felix Suasa	Do.
Banca 16308.	do.	16.78	170591	Ponciano Rizal	Do.
Banca 16323.	do.	8.69	171325	Emiterio Goceco	Do.
Banca 16332.	do.	5.86	170921	Segunda de Leon	Do.
Banca 16339.	do.	8.05	170080	Oliva Fulgencio	Do.
Banca 16343.	do.	15.47	172111	L. J. Araullo	Do.
Banca 16344.	do.	14.64	170931	Esteban Riu	Do.
Banca 16360.	do.	19.76	171864	Angel Luna	Do.
Banca 16361.	do.	22.55	171865	do.	Do.
Banca 16362.	do.	5.10	171458	Jesus Reyes	Do.
Banca 16386.	do.	5.55	170745	Maria Hernandez	Do.
Banca 16400.	do.	6.48	172474	Cayetano Umale	Do.
Banca 16402.	do.	14.71	170753	Albino Santos	Do.
Banca 16409.	do.	15.48	172112	L. J. Araullo	Do.
Banca 16410.	do.	10.16	170502	Severo Mariano	Do.
Banca 16416.	do.	6.06	171094	Gregorio Bautista	Do.
Banca 16425.	do.	5.76	171837	Agaton Galang	Do.
Banca 16439.	do.	5.62	171456	Cirilo Mangajao	Do.
Banca 16444.	do.	5.25	171102	Marciano Anselmo	Do.
Banca 16454.	do.	5.42	172495	Alberto Reyes	Do.
Banca 16460.	do.	7.54	172573	Eulalia Perez	Do.
Banca 16462.	do.	6.96	170811	Pedro Abacan	Do.
Banca 16466.	do.	7.16	171146	Pablo Capill	Do.
Banca 16469.	do.	5.36	172607	Pedro de Jesus	Do.
Banca 16474.	do.	18.95	172444	Angel Luna	Do.
Banca 16475.	do.	21.77	171866	do.	Do.
Banca 16476.	do.	10.60	171097	Manuel Patani	Do.
Banca 16490.	do.	7.89	171648	Valentin Roque	Do.
Banca 16504.	do.	5.75	172464	Francisca Ponce	Do.
Banca 16506.	do.	16.58	170916	Francisca Santos	Do.
Banca 16521.	do.	8.02	171096	Manuel Patani	Do.
Banca 16525.	do.	10.41	170960	Simcon Austria	Do.
Banca 16532.	do.	5.42	171320	Gervacio Pagsanjan	Do.
Banca 16550.	do.	7.55	171334	Juana Sebastian	Do.
Banca 16557.	do.	8.22	170925	Crecencio Rebolledo	Do.
Banca 16558.	do.	8.10	170922	Segunda de Leon	Do.
Banca 16570.	do.	18.68	172123	Eugenio Rufino	Do.
Banca 16578.	do.	5.75	170966	Agustin de Valle	Do.
Banca 16582.	do.	7.61	170503	Francisco Rosario	Do.
Banca 16584.	do.	6.26	172270	Protacio Cuaderno	Do.
Banca 9941.	do.	14.95	171492	Vicente Litlatco	Do.
Banca 9942.	do.	11.41	171491	do.	Do.
Banca 9943.	do.	8.13	171516	do.	Do.
Banca 10014.	do.	8.44	171503	do.	Do.
Banca 10074.	do.	9.28	171147	Maximo Teck	Do.
Banca 10246.	do.	21.63	172287	Nicanor Naval	Do.
Banca 10408.	do.	7.89	171510	Vicente Litlatco	Do.
Banca 10432.	do.	8.25	171514	do.	Do.
Banca 10457.	do.	12.91	170083	Baldomero Fernandez	Do.
Banca 10460.	do.	7.13	170492	Crisanto José	Do.
Banca 10472.	do.	7.31	171088	Perfecto Pedro	Do.
Banca 10473.	do.	9.90	170499	Praxedes Vicente	Do.
Banca 10508.	do.	14.32	172597	Francisca Ponce	Do.
Banca 10518.	do.	11.84	170489	Crisanto José	Do.
Banca 10519.	do.	8.55	170497	do.	Do.
Banca 10520.	do.	5.74	170487	do.	Do.
Banca 10523.	do.	11.00	171606	Cipriano Francia	Do.
Banca 10543.	do.	20.08	171256	Esperanza Gabriel	Do.
Banca 10556.	do.	8.28	171517	Vicente Litlatco	Do.
Banca 10557.	do.	7.41	170603	Braulio Quepangco	Do.
Banca 10609.	do.	8.26	171505	Vicente Litlatco	Do.
Banca 10610.	do.	14.73	171518	do.	Do.
Banca 10652.	do.	14.29	171519	do.	Do.
Banca 10660.	do.	20.07	170160	José Reyes	Do.
Banca 10681.	do.	8.44	171522	Vicente Litlatco	Do.
Banca 10682.	do.	8.84	171506	do.	Do.
Banca 10684.	do.	9.59	170496	Crisanto José	Do.
Banca 10694.	do.	9.81	170725	Purificacion Albert	Do.
Banca 10722.	do.	8.41	171515	Vicente Litlatco	Do.
Banca 10725.	do.	8.82	171507	do.	Do.
Banca 10738.	do.	10.46	170816	Valentina de la Cruz	Do.
Banca 10741.	do.	8.23	170490	Crisanto José	Do.
Banca 10810.	do.	9.12	170200	J. I. de Jesus	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904.—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Banca 10814.	Banca	12.58	170501	Cipriana Viardo	Manila.
Banca 10833.	do.	9.96	170739	Hipolito Alonso	Do.
Banca 10858.	do.	6.19	170227	Basilia Reyes	Do.
Banca 10861.	do.	22.34	170749	Braulio Quepango	Do.
Banca 10874.	do.	8.61	171494	Vicente Litiatco	Do.
Banca 10875.	do.	9.17	170193	Crisanto Jose	Do.
Banca 10914.	do.	8.53	171511	Vicente Litiatco	Do.
Banca 10915.	do.	7.70	171512	do.	Do.
Banca 10916.	do.	8.02	171500	do.	Do.
Banca 10981.	do.	5.85	171630	Agustin N. Cruz	Do.
Banca 11032.	do.	8.27	171513	Vicente Litiatco	Do.
Banca 11094.	do.	15.84	170918	Petra Santiago	Do.
Banca 11163.	do.	12.93	170818	Paseuala Fulgencio	Do.
Banca 11176.	do.	7.41	171504	Vicente Litiatco	Do.
Banca 11312.	do.	7.05	170785	Crisanto Jose	Do.
Banca 11313.	do.	6.36	170494	do.	Do.
Banca 11318.	do.	9.12	170499	J. I. de Jesus	Do.
Banca 11323.	do.	7.87	170682	Juana Avenir	Do.
Banca 11324.	do.	8.40	170578	Potenciano Gabriel	Do.
Banca 11496.	do.	8.90	171495	Vicente Litiatco	Do.
Banca 16394.	do.	5.98	171463	Hilarion Reyes	Do.
Banca 16398.	do.	5.74	172301	Maria Reyes	Do.
Banca 16613.	do.	6.48	172061	Benigno Tomacruz	Do.
Banca 16614.	do.	6.55	170766	Juana Trinidad	Do.
Banca 16615.	do.	8.63	171327	Alejo Vasquez	Do.
Banca 16619.	do.	12.54	172510	Roque Consumi	Do.
Banca 16621.	do.	5.92	170421	Valentin Panganiban	Do.
Banca 16622.	do.	11.34	171330	Estanislao de Vera	Do.
Banca 16631.	do.	5.51	171611	Anastacia T. Santos	Do.
Banca 16636.	do.	5.05	171357	Pedro Hallare	Do.
Banca 16663.	do.	6.04	170092	Lorenzo Ramirez	Do.
Banca 16666.	do.	6.33	172656	Gavino Figueroa	Do.
Banca 16673.	do.	5.84	172585	Teodorico Enriquez	Do.
Banca 16696.	do.	6.14	172690	Juliana Saprid	Do.
Banca 16717.	do.	7.92	170839	Perfecto Bustamante	Do.
Banca 16718.	do.	15.47	171834	Francisca del Rosario	Do.
Banca 16726.	do.	8.62	172250	Simcon Austria	Do.
Banca 16727.	do.	6.40	171769	do.	Do.
Banca 16728.	do.	7.61	170596	Ricardo Gutierrez	Do.
Banca 16746.	do.	5.47	171227	Florentino Andres	Do.
Banca 16749.	do.	5.03	170517	Angelo Martin	Do.
Banca 16753.	do.	11.65	171663	Roque Consumi	Do.
Banca 16755.	do.	6.07	170962	Antonio Tagle	Do.
Banca 16756.	do.	5.90	172076	Juan Velasquez	Do.
Banca 16764.	do.	5.00	170640	Fabian de Guzman	Do.
Banca 16766.	do.	19.23	172113	L. J. Araullo	Do.
Banca 16768.	do.	8.11	171336	Nicolas Sanchez	Do.
Banca 16774.	do.	6.32	171319	Macario Garcia	Do.
Banca 16779.	do.	5.22	172966	Ciriaca Giongo	Do.
Banca 16782.	do.	6.72	172352	Gabriel Buxon	Do.
Banca 16784.	do.	5.02	170593	Catalina de Vera	Do.
Banca 16786.	do.	9.03	171232	Macario Miguel	Do.
Banca 16788.	do.	9.49	170937	Engracio Jacinto	Do.
Banca 16789.	do.	7.16	170935	do.	Do.
Banca 16803.	do.	12.15	171874	Claro Pascual	Do.
Banca 16809.	do.	5.07	170015	Yrineo Termulo	Do.
Banca 16800.	do.	5.63	171236	Honorio Miranda	Do.
Banca 16802.	do.	5.39	170569	Ceferino Bautista	Do.
Banca 16803.	do.	5.65	170645	Angelo Martin	Do.
Banca 16801.	do.	5.22	171250	Hugo Santiago	Do.
Banca 16810.	do.	12.38	271070	Anastacio Cruz	Do.
Banca 16811.	do.	6.23	171775	Bernabe de Guzman	Do.
Banca 16821.	do.	20.79	172445	Angel Luna	Do.
Banca 16822.	do.	9.45	171869	do.	Do.
Banca 16825.	do.	5.68	172513	Macario de Leon	Do.
Banca 16829.	do.	5.90	171620	Marcos Bautista	Do.
Banca 16833.	do.	9.28	172321	Domingo de Leon	Do.
Banca 16834.	do.	5.83	171857	Agustin A. Reyes	Do.
Banca 16849.	do.	6.24	171247	Juan C. Cruz	Do.
Banca 16851.	do.	6.61	170641	Andrea Martinez	Do.
Banca 16852.	do.	5.44	171148	Maximo Teck	Do.
Banca 16854.	do.	5.94	172101	Francisco Tanco	Do.
Banca 16858.	do.	7.73	172534	Felipe Cajarian	Do.
Banca 16872.	do.	6.28	171342	Modesto Reyes	Do.
Banca 16878.	do.	13.07	170923	Jose Rebolledo	Do.
Banca 16885.	do.	5.58	171710	Felix Francisco	Do.
Banca 16890.	do.	10.44	172567	Tomas Ortiz Luis	Do.
Banca 16893.	do.	5.08	171881	Lucas Galong	Do.
Banca 16898.	do.	8.57	170582	H. S. Clemente	Do.
Banca 16905.	do.	17.21	172110	L. J. Araullo	Do.
Banca 16919.	do.	17.71	172103	David Luna	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Banca 16930.	Banca	20.26	172102	David Luna	Manila.
Banca 16921.	do.	9.18	172506	Toribio Rodriguez	Do.
Banca 16928.	do.	7.67	171730	Paula Tolentino	Do.
Banca 16936.	do.	13.40	172276	Alberto Barreto, administra- tor.	Do.
Banca 16937.	do.	5.69	172114	Lucia Joaquin	Do.
Banca 16939.	do.	21.57	172446	Angel Luna	Do.
Banca 16940.	do.	21.75	172447	do.	Do.
Banca 16942.	do.	5.08	170567	Petrona de los Santos	Do.
Banca 16941.	do.	5.41	170407	G. Evangelista	Do.
Banca 16945.	do.	6.92	172301	Gabriel T. Cruz	Do.
Banca 16951.	do.	5.19	170229	Silvestre Legaspi	Do.
Banca 16950.	do.	7.39	172543	Petrona Lopez	Do.
Banca 16986.	do.	6.52	171183	Pedro Reyes	Do.
Banca 16988.	do.	5.33	171565	Josefa Rodriguez	Do.
Banca 16996.	do.	5.51	172285	Fausto Atienza	Do.
Banca 17002.	do.	5.06	170423	Macaria Rojas	Do.
Banca 17003.	do.	6.51	171355	Bonifacio Viri	Do.
Banca 17004.	do.	5.21	170648	Nicolas Gabriel	Do.
Banca 17011.	do.	7.55	172299	Braulio Feliciano	Do.
Banca 17014.	do.	5.80	172303	Miguel Albelda	Do.
Banca 17025.	do.	20.91	172448	Angel Luna	Do.
Banca 17029.	do.	6.24	172354	Maria Torres	Do.
Banca 17030.	do.	7.58	172549	Valeriano Rivera	Do.
Banca 17039.	do.	5.47	170946	Felipe del Rosario	Do.
Banca 17052.	do.	5.50	171145	Geronimo Angeles	Do.
Banca 17067.	do.	7.35	172275	Eladio Adriano	Do.
Banca 17068.	do.	8.44	170746	Marcelina Samson	Do.
Banca 17071.	do.	5.93	170125	Petrona de los Santos	Do.
Banca 17083.	do.	7.02	171067	Francisco Sebastian	Do.
Banca 17089.	do.	10.85	172517	Angel Luna	Do.
Banca 17091.	do.	9.59	170767	Aniceto Carrillo	Do.
Banca 17092.	do.	10.46	172423	Dorotea Bonson	Do.
Banca 17102.	do.	5.19	171581	Ignacio Sy-Quico	Do.
Banca 17125.	do.	7.51	171214	Teleforo Viz Trinidad	Do.
Banca 17129.	do.	8.78	172669	Felipe Loderas	Do.
Banca 17135.	do.	16.86	172609	Thomas Cordero	Do.
Banca 17140.	do.	5.70	171736	Bonifacio Chi Chiooco	Do.
Banca 17141.	do.	8.89	172648	Donato Pinili	Do.
Banca 17167.	do.	9.29	170202	Victorio Macario	Do.
Banca 17169.	do.	6.70	170579	Canuto Ureta	Do.
Banca 17179.	do.	9.52	170959	Cayetano Umali	Do.
Banca 17202.	do.	14.10	170751	Maria I. del Rosario	Do.
Banca 17227.	do.	10.72	172530	Justo Calagayan	Do.
Banca 11197.	do.	8.06	170191	Cosme Carlos	Do.
Banca 11524.	do.	8.75	170498	Crisanto José	Do.
Banca 11525.	do.	7.42	170488	do.	Do.
Banca 11644.	do.	21.48	170981	Cirilo Gabriel	Do.
Banca 11671.	do.	10.84	171734	Raymundo Cristobal	Do.
Banca 11691.	do.	13.12	172356	Venancio Añale	Do.
Banca 11706.	do.	7.66	171328	Simon Francia	Do.
Banca 11750.	do.	5.36	171311	Mariano Teck	Do.
Banca 11766.	do.	8.61	171502	Vicente Litiatico	Do.
Banca 11768.	do.	9.83	171508	do.	Do.
Banca 11794.	do.	18.89	170771	Manuel Garcia	Do.
Banca 11847.	do.	9.65	171509	Vicente Litiatico	Do.
Banca 11856.	do.	7.83	170201	J. I. de Jesus	Do.
Banca 11910.	do.	8.16	170405	Petrona Noriega	Do.
Banca 11913.	do.	14.39	171499	Vicente Litiatico	Do.
Banca 15167.	do.	15.92	170911	Francisco Santos	Do.
Banca 15267.	do.	8.33	171493	Vicente Litiatico	Do.
Banca 15455.	do.	5.60	171149	Maximo Teck	Do.
Banca 15456.	do.	6.66	171310	do.	Do.
Banca 15480.	do.	9.75	171501	Vicente Litiatico	Do.
Banca 15481.	do.	8.43	171520	do.	Do.
Banca 15526.	do.	7.00	170927	Ignacio Si-Vap	Do.
Banca 15527.	do.	8.84	170495	Crisanto José	Do.
Banca 15537.	do.	12.96	170300	José Reyes	Do.
Banca 15539.	do.	11.51	172096	Francisco Gozun	Do.
Banca 15545.	do.	8.46	172073	Francisca Ponce	Do.
Banca 15670.	do.	10.41	171490	Vicente Litiatico	Do.
Banca 15672.	do.	11.42	171489	do.	Do.
Banca 15684.	do.	6.48	172665	Ciriaca Tiongeo	Do.
Banca 15755.	do.	6.66	170295	Teodoro Lopez	Do.
Banca 15766.	do.	5.14	170155	Benito Legarda	Do.
Banca 15790.	do.	9.43	171309	Maximo Teck	Do.
Banca 15825.	do.	7.87	171346	Andres Serrano	Do.
Banca 15830.	do.	5.14	172451	Balbino Salamat	Do.
Banca 15841.	do.	5.30	170195	T. Pangantiban	Do.
Banca 15868.	do.	15.31	170742	Hipolito Alonzo	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Banca 15871	Banca	14.82	171497	Vicente Litiatico	Manila.
Banca 15872	do	12.45	171498	do	Do.
Banca 15873	do	11.02	171488	do	Do.
Banca 15915	do	8.36	172093	Adriano Disanco	Do.
Banca 15918	do	8.50	171987	Ponciano Reyes	Do.
Banca 15937	do	11.55	170481	Maria Sioco	Do.
Banca 15958	do	6.52	170961	Ignacio Rodill	Do.
Banca 15976	do	8.82	171915	Jacinto Pulido	Do.
Banca 15987	do	4.69	170956	Nicolas Feliciano	Do.
Banca 15992	do	7.06	172608	Esteban Castillo	Do.
Banca 15994	do	6.22	170052	Maximo Feliciano	Do.
Banca 16002	do	7.61	170146	Narciso Solis	Do.
Banca 16012	do	5.53	172402	Juan C. Santiago	Do.
Banca 16021	do	16.54	171454	Regino Flores	Do.
Banca 16026	do	9.52	171566	Pio Lorenzo	Do.
Banca 16030	do	8.01	170737	Hipolito Alonzo	Do.
Banca 16034	do	5.53	170738	do	Do.
Banca 16037	do	6.87	172908	Florentino Pagsanhan	Do.
Banca 16042	do	10.35	171731	Paula Tolentino	Do.
Banca 16051	do	5.54	170985	Tiburcio Bautista	Do.
Banca 16053	do	9.93	171246	Jose Limoco	Do.
Banca 16054	do	7.05	170648	Teodorico Santos	Do.
Banca 16055	do	9.12	170748	Dalmacio Guidote	Do.
Banca 16056	do	8.03	172425	Pedro Gerardo	Do.
Banca 16058	do	7.73	172401	Garino de Jesus	Do.
Banca 16064	do	12.22	170395	Manuela de la Cruz	Do.
Banca 16069	do	8.06	172306	Simcon Austria	Do.
Banca 16075	do	5.01	170594	Eugenio Rufino	Do.
Banca 16080	do	17.33	171796	Quintin Montes	Do.
Banca 16080	do	5.01	170755	Albino Santos	Do.
Banca 16091	do	10.77	170719	Eugenio Rufino	Do.
Banca 16092	do	21.86	170228	Gregoria de Leon	Do.
Banca 16095	do	16.73	170084	Francisco L. R. Yungco	Do.
Banca 16096	do	18.71	170122	L. J. Arraullo	Do.
Banca 16097	do	6.52	171739	Romualdo Pagsibigan	Do.
Banca 16098	do	71.04	170750	Dalmacio Guidote	Do.
Banca 16100	do	9.13	170867	Luis Vismanos	Do.
Banca 16102	do	21.17	172060	Nicolas Feliciano	Do.
Banca 16107	do	5.35	171610	Pedro Si-Yap	Do.
Banca 16108	do	5.73	171243	do	Do.
Banca 16109	do	19.14	172058	Catalina Vivas	Do.
Banca 16116	do	6.41	170043	Pedro A. Santos	Do.
Banca 16121	do	8.46	171963	Vicente Villongo	Do.
Banca 16129	do	6.32	170101	Agustin Dizon	Do.
Banca 16132	do	10.35	170606	Angel Jose	Do.
Banca 16133	do	11.28	171015	Pedro Zamora	Do.
Banca 16136	do	6.55	171578	Francisco Oliveros	Do.
Banca 16141	do	5.86	172566	Tomas O. Luis	Do.
Banca 16142	do	16.24	171318	Rufino Enriquez	Do.
Banca 16144	do	7.90	171228	Pedro Si-Yap	Do.
Banca 16147	do	11.54	170581	H. S. Clemente	Do.
Banca 16148	do	6.57	172440	Fernando Uchoque	Do.
Banca 16149	do	11.08	171142	Luis S. Vismanos	Do.
Banca 16151	do	11.87	172278	Protasio Cuaderno	Do.
Banca 16154	do	5.45	170203	A. de Guzman	Do.
Banca 16156	do	11.50	171524	Vicente Litiatico	Do.
Banca 16157	do	10.48	171525	do	Do.
Banca 16158	do	9.84	171848	Luis S. Vismanos	Do.
Banca 16159	do	14.33	170037	E. Sia-Pungco	Do.
Banca 16160	do	7.22	171735	Raymundo Cristobal	Do.
Banca 16163	do	8.56	171248	Felix Magliray	Do.
Banca 16166	do	7.72	171359	Juan C. Cruz	Do.
Banca 16167	do	10.60	170292	Hermogena Romero	Do.
Banca 16171	do	9.34	171095	Manuel Patani	Do.
Banca 16172	do	13.75	170022	Enalio Santos	Do.
Banca 16176	do	8.58	172193	Ismel Vitan	Do.
Banca 16180	do	7.03	171733	Paula Tolentino	Do.
Banca 16183	do	8.32	171233	Macario Miguel	Do.
Banca 16187	do	6.10	172132	Honorato Garcia	Do.
Banca 16190	do	5.48	170747	Antonio David	Do.
17235	do	6.89	171073	Nicolas Alejandro	Do.
17245	do	11.66	172571	Gregoria Alejandro	Do.
17253	do	6.22	171732	Paula Tolentino	Do.
17267	do	7.84	171326	Manuel Mendosa	Do.
17268	do	5.66	171929	Leon de la Cruz	Do.
17276	do	11.25	171143	Cornelia Limquico	Do.
17285	do	7.86	170500	Salvador Limao	Do.
17286	do	5.12	170060	Maria Cabarles	Do.
17288	do	5.22	170059	Amastacio Aatagan	Do.
17301	do	8.59	171878	Felipa Polido, Rafaela Polido	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904.—Continued.

Name.	Rig.	Ton-nage.	Official num-ber.	Owner.	Home port.
17304.....	Banca	5.23	170938	Potenciano Gabriel.....	Manila.
17308.....	do	5.26	170011	Pedro A. Santos.....	Do.
17311.....	do	6.99	172584	Lucio Carating.....	Do.
17314.....	do	5.47	171315	Victor de Dios.....	Do.
17315.....	do	19.55	172010	Basilisa Miranda.....	Do.
17318.....	do	11.21	170141	Filomena Pasamba.....	Do.
17346.....	do	7.83	170949	Pablo Magsarili.....	Do.
17349.....	do	7.58	170969	Gregorio Trias.....	Do.
17351.....	do	9.56	170600	Luis de Castro.....	Do.
17352.....	do	5.42	170583	Doroteo Reyes.....	Do.
17353.....	do	7.20	170580	Canuto Urela.....	Do.
17358.....	do	5.57	170763	Teresa Sison.....	Do.
17359.....	do	13.23	170770	Francisca Reyes.....	Do.
17361.....	do	8.46	170556	Filemon Tamayo.....	Do.
17364.....	do	10.07	170928	Francisco Sta. Ana.....	Do.
17366.....	do	18.54	170964	Angel Luna.....	Do.
17369.....	do	13.47	171072	Anastacio Cruz.....	Do.
17370.....	do	16.70	171071	do.....	Do.
17371.....	do	7.23	171607	Elpidio Medel.....	Do.
17373.....	do	12.43	171231	Tomas Ineco.....	Do.
17376.....	do	5.41	171253	Domingo Aquino.....	Do.
17378.....	do	10.00	171278	Teresa Sison.....	Do.
17381.....	do	5.91	171345	Toribio Santiago.....	Do.
17382.....	do	17.27	171468	Apolinario Ditioco.....	Do.
17385.....	do	8.61	171469	Pedro Abacan.....	Do.
17386.....	do	7.07	171608	Elpidio Medel.....	Do.
17389.....	do	9.35	171612	Maximo Santos.....	Do.
17390.....	do	8.35	171880	Jose Strella.....	Do.
17393.....	do	7.01	171860	Pablo Santos.....	Do.
17395.....	do	5.38	172361	Domingo de la Cruz.....	Do.
17396.....	do	7.03	171799	Pedro Viray.....	Do.
17401.....	do	5.17	171914	Perfecto Pedro.....	Do.
17402.....	do	7.02	171993	Francisca Bayan.....	Do.
17405.....	do	7.74	172072	Patricio Bernabe.....	Do.
17407.....	do	12.01	171991	Vicente Litiato.....	Do.
17409.....	do	20.17	171992	Angel Luna.....	Do.
17410.....	do	6.68	172203	Marcelo Ignacio.....	Do.
17412.....	do	8.03	172080	Juan C. Cruz.....	Do.
17413.....	do	5.64	172118	Eduardo Pascual.....	Do.
17416.....	do	5.07	172116	Salvador Vitan.....	Do.
17422.....	do	5.05	172249	Severino Concepcion.....	Do.
17424.....	do	10.32	172251	Luisa de Guzman.....	Do.
17428.....	do	7.63	170646	Lucio Ganaral.....	Do.
17431.....	do	6.19	172323	Cornelia Lim.....	Do.
17433.....	do	10.23	172407	Luis S. Vizmanos.....	Do.
17439.....	do	5.35	172576	Guillermo Victorino.....	Do.
17441.....	do	14.39	172496	Vicente Villonco.....	Do.
17446.....	do	10.30	172552	Paula Tiongo.....	Do.
17447.....	do	7.60	172535	Lorenzo T. Mateo.....	Do.
17450.....	do	8.80	172547	Valentin Saplala.....	Do.
17061.....	do	9.34	172640	Vicente Villonco.....	Do.
Bantayana.....	Sail	6.48	172646	Cornelio Rustia.....	Do.
Barcelona.....	do	10.04	172477	José Tagle.....	Cebu.
Barge 5.....	Barge	11.08	170849	José Lobregat.....	Tacloban.
Barge 8.....	do	9.45	170156	Agno Tug and Lighter Co.....	Manila.
Barge 11.....	do	9.45	170157	do.....	Do.
Barge 12.....	do	9.45	170158	do.....	Do.
Barge 2.....	do	9.45	170159	do.....	Do.
Barge 3.....	do	9.45	172280	do.....	Do.
Barge 4.....	do	9.45	172281	do.....	Do.
Barge 6.....	do	9.45	172282	do.....	Do.
Barilela.....	Sail	9.45	172283	Agapito Ibanez.....	Cebu.
Baritan.....	do	5.75	171051	Antonino Barquin.....	Legaspi.
Barlisan.....	do	5.22	171476	Romualdo Ilagan.....	Cebu.
Barol.....	Lighter	8.03	171678	Vicente Cinco.....	Catbalogan.
Barrameda.....	Sail	5.35	170451	Alejandro Barrameda.....	Legaspi.
Barte.....	do	5.60	171473	Raimundo Barte.....	Cebu.
Barugo.....	Banca	5.30	172015	Pasig Steamer and Lighter Co.....	Do.
Basilisa.....	Sail	19.64	170879	Macaria Zarate.....	Manila.
Basilio.....	do	5.75	170671	Pedro Juarez.....	Iloilo.
Basilisa.....	do	37.32	170697	Basilio Angam.....	Cebu.
Basilio.....	do	9.52	171959	Geminiano Villador.....	Aparri.
Bana.....	do	11.19	171387	Sandalino Aquino.....	Cebu.
Bat.....	Casco	7.10	170548	Edmundo D. Aenlle.....	Manila.
Bat.....	Sail	15.82	172194	Edmundo D. Aenlle.....	Dumaguete.
Bayanan.....	do	7.50	172603	Matias Padaiag.....	Cebu.
Beandi.....	do	33.73	171424	Alberto Putian.....	Manila.
Beatriz.....	Lighter	102.90	170786	Manila Tug and Lighter Co.....	Do.
Beatriz.....	Sail	23.60	171175	Elogio Andrada.....	Iloilo.
Bebeng.....	do	16.64	171445	Catalino Siyana.....	

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Belen.....	Sail.....	6.36	171539	José Delgado.....	Catbalogan.
Belgica.....	Steamer.....	536.40	170814	Compañía Marítima.....	Manila.
Belmonte.....	Sail.....	14.67	172031	Felix Castillo.....	Cebu.
Bella.....	Lighter.....	68.13	170797	Manila Shipping and Trans- portation Co.....	Manila.
Bella Antonia.....	Sail.....	9.69	170832	Raimundo Concepcion.....	Aparri.
Bella Antonia.....	do.....	47.01	171619	M. N. José.....	Manila.
Bella Feliza.....	do.....	38.81	171290	Catalina Catabas.....	Do.
Bella Fidela.....	do.....	5.96	171371	Pomposo Atrero.....	Subic.
Bella Hocana.....	do.....	52.59	171925	Ladislao Donato.....	San Fernando.
Bella Pajita.....	do.....	9.83	172524	Guillermo Adamos.....	Subic.
Benedicta.....	do.....	8.34	171705	Tiburcio Sexson.....	San Juan de Buenavista.
Beneficio.....	do.....	5.12	171670	Serapia Espina.....	Cebu.
Benita.....	do.....	48.35	170315	M. Lizarraga.....	Iloilo.
Benito.....	do.....	5.21	171950	Fuasta Benito.....	Dumaguete.
Betina.....	do.....	42.01	170698	Iloilo Steamer and Lighter Co.....	Iloilo.
"Bi".....	Lighter.....	62.17	170411	M. Lizarraga.....	Manila.
"Bi".....	Sail.....	23.51	171687	Edmundo de Aenle.....	Aparri.
Bilbao.....	do.....	45.67	170316	E. Campos.....	Iloilo.
Binondo.....	Lighter.....	65.95	170799	Manila Shipping and Trans- portation Co.....	Manila.
Binondo.....	Steamer.....	431.03	172355	Deogracias Conchu.....	Do.
Blanca.....	Sail.....	8.92	172334	Maximo Rebosura.....	Cebu.
Blasco.....	do.....	18.36	171060	Matias Blasco.....	Do.
Bogojuña.....	do.....	9.82	171909	José Peliño.....	Do.
Bohol.....	Steamer.....	129.97	170253	Manila Shipping and Trans- portation Co.....	Do.
Bohol.....	Lighter.....	87.29	170800	do.....	Manila.
Bolinao.....	Steamer.....	120.00	170054	Compañía Marítima.....	Do.
Bolinao.....	Sail.....	16.28	170601	Pascual de Perio.....	Do.
Bonifacio.....	do.....	6.50	171699	Thomas Padayjag.....	Dumaguete.
Bonita.....	do.....	4.56	172405	John Hilbig.....	Manila.
Bonzon.....	do.....	5.36	172364	Marcela Bonzon.....	Do.
Borongun.....	Steamer.....	184.91	170088	M. B. Asensi.....	Do.
Bost.....	Sail.....	18.62	170660	Edmundo de Aenle.....	Do.
Bost.....	Casco.....	16.38	172038	Sandalio Aquinena.....	Cebu.
Bracia.....	Sail.....	5.68	171478	Esteban Bracia.....	Legaspi.
Breadwinner.....	do.....	16.79	172298	Robert J. Harrison.....	Do.
Britania.....	Steam launch.....	7.53	172115	Vicente Rodriguez.....	Manila.
Broc.....	Sail.....	12.26	172086	Doroteo Poorong.....	Cebu.
Brutus.....	Steamer.....	702.00	170187	Compañía Marítima.....	Manila.
Budo.....	Lighter.....	13.02	171035	Vicente Cinco.....	Catbalogan.
Buen Viaje.....	Sail.....	11.16	171092	Alipio Ragurit.....	Subic.
Buen Viaje.....	Steamer.....	273.06	171749	L. Hidalgo.....	Manila.
Buen Viaje.....	Sail.....	6.13	172003	Victoriano Gofit.....	Catbalogan.
Buen Viaje.....	do.....	6.18	172012	Vicente Animag.....	Aparri.
Buena Suerte.....	do.....	8.14	170406	Sotero Acierto.....	Manila.
Buena Suerte.....	Steamer.....	141.89	170584	Ciriaco Buhay.....	Do.
Buena Suerte.....	Sail.....	13.68	170678	Estanislao Macadaig.....	Do.
Buena Suerte.....	do.....	7.57	171966	Juan Racadio.....	Aparri.
Buena Suerte.....	do.....	19.20	172304	Petrona Tria.....	Manila.
Buenos Aires.....	do.....	5.85	172308	Romualdo Castillo.....	Cebu.
Bujon.....	do.....	5.59	172255	P. Realista.....	Iloilo.
Bujulan.....	do.....	5.87	172230	Basilio Palomer.....	Legaspi.
Bukal.....	Steamer.....	54.27	170028	T. R. Yanco.....	Manila.
Buhisan.....	Sail.....	13.05	171885	J. I. de Jesus.....	Sorsogon.
Bunayog.....	do.....	5.67	172142	Placido Bunayog.....	Cebu.
Burgos.....	do.....	12.96	170677	Domingo Alvarado.....	Manila.
Burgos.....	do.....	6.33	171431	Hermenegildo Piralla.....	Cebu.
Butuan.....	Steamer.....	337.36	170185	Compañía Marítima.....	Manila.
Calagan.....	Lighter.....	46.00	170175	M. B. Asensi.....	Do.
Cabalan.....	Sail.....	21.90	172212	Petronilo Garrido.....	Cebu.
Cabanbanan.....	Steamer.....	56.91	170376	E. de la Rama.....	Iloilo.
Cabaña.....	Sail.....	6.91	172162	Casiano Cabaña.....	Cebu.
Cadabes.....	do.....	11.57	171172	Domingo Cadabes.....	Catbalogan.
Cadín.....	do.....	9.21	172070	Fausto Montemayor.....	Tacolban.
Cadiz.....	do.....	56.11	170731	Alejandro Linares.....	Manila.
Caena.....	do.....	9.26	172556	Angel Jamoy.....	Cebu.
Caganangan.....	do.....	19.03	172157	Antonio Molina.....	Do.
Caganusan.....	do.....	9.98	171960	Gerardo Villaver.....	Do.
Cagayan.....	Lighter.....	84.00	170181	M. B. Asensi.....	Manila.
Cagayana.....	Sail.....	6.29	172171	Victoriano Navatilan.....	Aparri.
Calbayog.....	do.....	6.73	170828	Juan Rodriguez.....	Catbalogan.
Calderon.....	do.....	5.80	171956	Julian Pimentel.....	Cebu.
Callering.....	do.....	10.92	171686	Hospicio Camacho.....	Aparri.
Camarines.....	Lighter.....	58.40	170220	Manuel Gaspar.....	Manila.
Camarines.....	Steamer.....	114.00	170760	E. Marceida and R. Aguado.....	Do.
Camarines.....	Banca.....	6.75	171171	Ignacio Ortiz.....	Catbalogan.
Cambulan.....	Sail.....	70.05	171106	Jaime Vaño.....	Iloilo.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Camilar.....	Sail	5.85	170876	Juan Ungab.....	Cebu.
Camilo.....	do	8.10	172068	Blas Nierras.....	Tacloban.
Canda.....	do	12.56	172168	Joaquin Canda.....	Cebu.
Candaguit.....	do	49.79	170385	José Trias.....	Hilo.
Candalaria.....	do	19.87	170351	Jaime Vaño.....	Cebu.
Caon.....	Steamer	679.99	170373	Francisco Reyes.....	Manila.
Caon.....	Sail	6.93	171047	Tomas Caon.....	Cebu.
Captain.....	Steam launch.	25.71	170332	T. R. Yangco.....	Manila.
Capoccan.....	Banca	9.50	170312	Vidal Solaña.....	Tacloban.
Capricho.....	Sail	59.17	171839	Juliana Encarnacion.....	Manila.
Caridad.....	do	58.63	170317	M. Lizarraga.....	Hilo.
Caridad.....	do	30.88	170699	Hilo Steam and Lighter Co.	Do.
Caridad.....	do	14.48	170859	Eustaquio Disto.....	Cebu.
Caridad.....	do	17.39	171258	Pilar Corrales.....	Manila.
Caridad.....	Steam launch.	9.91	172189	Genaro Corpus.....	Manila.
Carigara.....	Banca	21.72	170850	Pasig Steamer and Lighter Co.	Manila.
Carlota.....	Lighter	46.59	170205	Angel Ordoñez.....	Hilo.
Carlota.....	Sail	49.83	170318	L. Aguirre.....	Tacloban.
Carlota.....	do	14.92	170845	Isabelo Fernandez.....	Tacloban.
Carlota.....	Lighter	66.71	170464	L. G. Pablo.....	Manila.
Carmelita.....	Sail	16.45	171990	Sebastian Reguinding.....	Subic.
Carmelita.....	Lighter	101.64	170109	M. B. Ascensi.....	Manila.
Carmen.....	Casco	57.33	170249	Smith, Bell & Co.....	Cebu.
Carmen.....	Steamer	266.68	170402	Gabino de Urtia.....	Manila.
Carmen.....	Lighter	55.51	170716	José I. de Jesus.....	Do.
Carmen.....	Sail	11.54	170902	Filomeno del Mar.....	Cebu.
Carmen.....	Lighter	90.19	171601	Recha & Co.....	Manila.
Carmen.....	Sail	9.33	171698	Pedro Palin.....	Dumagueta.
Carmen.....	do	44.84	171723	Gregorio Yulo, administrator.	Hilo.
Carmen.....	do	18.80	171780	Matias Sanchez.....	Manila.
Carmen.....	Steam launch.	7.31	171831	Francisco Sanz.....	Komblon.
Carmen.....	Sail	6.83	172229	Lucas Isorena.....	Legaspi.
Carmen.....	do	11.33	172233	José Lagrada.....	Cuyo.
Carmen.....	Casco	29.69	172312	Compañía Tabacalera.....	Cebu.
Carmen y Venus.....	Lighter	46.64	170939	Esteban Riu.....	Manila.
Carmen y Venus.....	Sail	5.69	171077	Atanacio Farola.....	Subic.
Carmen y Venus.....	do	38.76	170319	E. Campos.....	Hilo.
Carmen y Venus.....	do	136.97	172610	Antonio Maximo.....	Manila.
Carmen y Venus.....	Lighter	47.94	171665	Ulpiano Velasco.....	Do.
Carminas.....	Sail	204.77	170100	Rafael Calvo.....	Cebu.
Carminas.....	do	5.82	171199	Eulogio Gutierrez.....	Manila.
Carminas.....	do	35.05	170727	Gregorio Ortuoste.....	Hilo.
Carminas.....	Steam launch.	53.98	170820	M. Lizarraga.....	Manila.
Cascente.....	Casco	11.41	171861	Teleforo Reyes.....	Do.
Casco 3.....	do	53.73	170743	Miguel Lloret.....	Do.
Casco 10.....	do	7.77	172439	Vicente Buensuceso.....	Do.
Casco 13.....	do	27.54	172511	Romulo Mercado.....	Do.
Casco 17.....	do	58.51	171585	E. Rocha.....	Do.
Casco 37.....	do	15.48	171877	Patricio Bernabe.....	Do.
Casco 48.....	do	8.51	170979	Antonina Pascual.....	Do.
Casco 49.....	do	17.27	171245	Blas Manalalay.....	Do.
Casco 55.....	do	41.49	171661	Guillermo Layce.....	Do.
Casco 71.....	do	22.71	172441	Eugenio Sarina.....	Do.
Casco 78.....	do	16.16	172191	Enrique Bautista.....	Do.
Casco 87.....	do	57.33	171835	Enrique Rocha.....	Do.
Casco 99.....	do	55.47	171810	Manila Navigation Co.....	Do.
Casco 101.....	do	44.94	172518	Candido Valdes.....	Do.
Casco 102.....	do	14.14	172327	Telefora Gomez.....	Do.
Casco 107.....	do	33.69	171571	Cecilia Alejandrino.....	Do.
Casco 116.....	do	27.20	172230	Nicanor Naval.....	Do.
Casco 118.....	do	29.37	172155	Eligio Naval, administrator.....	Do.
Casco 119.....	do	30.08	171785	H. P. Montes.....	Do.
Casco 135.....	do	47.49	170609	Miguel Lloret.....	Do.
Casco 144.....	do	26.06	171268	Quiteria Pascual and others.....	Do.
Casco 161.....	do	32.96	172046	Tomas Javier.....	Do.
Casco 165.....	do	20.77	171814	Gregorio Mariano.....	Do.
Casco 174.....	do	42.01	170490	Crisanto José.....	Do.
Casco 175.....	do	28.59	171573	Quiteria Pascual & Co.....	Do.
Casco 177.....	do	14.69	170945	Hilarion Reyes.....	Do.
Casco 178.....	do	31.85	172514	Romulo Mercado.....	Do.
Casco 181.....	do	51.83	171662	Guillermo Layce.....	Do.
Casco 189.....	do	10.69	171879	Gabriel Jacinto.....	Do.
Casco 191.....	do	27.76	170628	Miguel Lloret.....	Do.
Casco 192.....	do	34.32	170821	do.....	Do.
Casco 195.....	do	19.49	172274	Maxima Dy-Inco.....	Do.
Casco 197.....	do	28.25	172300	Cesaro L. de Leon.....	Do.
Casco 205.....	do	47.66	170461	Crisanto José.....	Do.
Casco 208.....	do	31.48	170823	Miguel Lloret.....	Do.
Casco 218.....	do	32.99	172365	Pelaya Bernardo.....	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Casco 219.	Casco	37.69	172492	Emilia Soriano	Manila.
Casco 226.	do	40.90	170219	F. A. Gaza	Do.
Casco 229.	do	32.36	170612	Miguel Lloret	Do.
Casco 230.	do	19.19	172100	C. J. Zulueta	Do.
Casco 237.	do	45.16	171262	Pilar Corrales	Do.
Casco 241.	do	72.15	170790	Manila Tug and Lighter Co.	Do.
Casco 242.	do	16.30	172438	Maximo Rodriguez	Do.
Casco 243.	do	37.31	172057	Catalina Vivas	Do.
Casco 234.	do	14.89	172393	Pedro Panganiban	Do.
Casco 235.	do	88.95	170476	Angel José	Do.
Casco 237.	do	35.24	172497	Tomas Asuncion	Do.
Casco 230.	do	10.14	112411	Anacleto Unciaco	Do.
Casco 2361	do	52.05	170143	B. Fernandez	Do.
Casco 2362	do	47.87	172427	Patricio Bernabe	Do.
Casco 2363	do	55.23	171795	Quintin Montes	Do.
Casco 2365	do	59.72	172004	Angel Luna	Do.
Casco 2366	do	47.81	172006	Silvina Chio-Taysan	Do.
Casco 2367	do	56.26	171977	Ponciano Reyes	Do.
Casco 2369	do	15.36	172386	Marcelo Estrella	Do.
Casco 2373	do	63.83	172202	Angel Luna	Do.
Casco 2375	do	40.41	170571	Potenciano Gabriel	Do.
Casco 2376	do	13.64	171267	Bernardino Tobias	Do.
Casco 2379	do	39.15	170920	Segunda de León	Do.
Casco 2380	do	12.77	170482	Donata Alvarado	Do.
Casco 2383	do	37.19	171649	Fernanda Evangelista	Do.
Casco 2384	do	16.70	170943	M. T. Cruz	Do.
Casco 2385	do	51.64	171245	M. G. Garcia	Do.
Casco 2386	do	43.49	171845	Anastacio Mateo	Do.
Casco 2388	do	50.92	171462	Ignacio Samson	Do.
Casco 2389	do	36.95	172121	Hilarion Reyes	Do.
Casco 2392	do	75.85	170513	Nicolas Angeles	Do.
Casco 2393	do	47.43	172128	Romualdo Sarino	Do.
Casco 2394	do	44.63	170290	José Lim	Do.
Casco 2395	do	59.49	172408	M. Escaler and R. Santos	Do.
Casco 2396	do	35.61	170439	Treado Nibunco	Do.
Casco 2398	do	11.85	170197	Simon Roberto	Do.
Casco 2399	do	24.99	171858	Eulalia Perez	Do.
Casco 2400	do	23.74	170810	Sixta Enriquez	Do.
Casco 2401	do	44.96	170631	José Ongchanco	Do.
Casco 2402	do	57.25	172119	Anselmo Ponce	Do.
Casco 2404	do	14.52	170632	Gregorio Paman	Do.
Casco 2405	do	41.96	171867	Crisanto José	Do.
Casco 2406	do	41.43	171750	Francisco Manalo	Do.
Casco 2408	do	53.22	171967	Vicente Villonco	Do.
Casco 2410	do	10.38	171613	Filomena Carlos	Do.
Casco 2411	do	54.23	172462	Vicente Villonco	Do.
Casco 2412	do	7.04	171781	Apolonio Crisostomo	Do.
Casco 2413	do	27.65	171461	Maria Crisostomo	Do.
Casco 2415	do	32.78	171968	Vicente Villonco	Do.
Casco 2416	do	12.48	170965	Blas Mapilian	Do.
Casco 2417	do	42.55	171985	Ponciano Reyes	Do.
Casco 2419	do	48.95	172394	Agustin Mendoza	Do.
Casco 2421	do	9.25	171331	Maximo Lopez	Do.
Casco 2422	do	11.62	172655	Miguel Salgado	Do.
Casco 2423	do	12.22	171252	Marta T. Santos	Do.
Casco 2428	do	10.92	171313	Eulogio Salonga	Do.
Casco 2429	do	56.15	171868	Crisanto José	Do.
Casco 2430	do	50.31	171766	Felipe A. Gaza	Do.
Casco 2432	do	55.18	171767	Macario Lim	Do.
Casco 2434	do	51.88	171986	Ponciano Reyes	Do.
Casco 2435	do	15.77	171584	Eriberto de la Peña	Do.
Casco 2230	do	20.73	170589	Ignacio Reyes	Do.
Casco 2231	do	31.99	170044	Pasig Steamer and Lighter Co.	Do.
Casco 2232	do	30.88	172106	Nicanor Naval	Do.
Casco 2234	do	29.37	172367	Quiteria Pacual	Do.
Casco 2236	do	34.75	170651	Petra Naval	Do.
Casco 2238	do	12.22	172438	Ciriaca R. Cruz	Do.
Casco 2270	do	56.46	170504	Pedro Marcelo	Do.
Casco 2275	do	38.70	170171	Angel José	Do.
Casco 2277	do	44.98	170475	do	Do.
Casco 2278	do	54.17	170789	Manila Tug and Lighter Co.	Do.
Casco 2283	do	49.83	170472	Angel José	Do.
Casco 2284	do	30.37	170474	do	Do.
Casco 2285	do	60.54	171811	Manila Navigation Co.	Do.
Casco 2286	do	38.01	171341	Vicente Villonco	Do.
Casco 2287	do	46.07	170463	Crisanto José	Do.
Casco 2290	do	36.83	170570	Potenciano Gabriel	Do.
Casco 2292	do	29.89	172385	J. Javier	Do.
Casco 2294	do	38.33	171792	Quintin Montes	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Casco 2295.	Casco	37. 98	170473	Angel José	Manila.
Casco 2296.	do.	36. 14	171622	Julio Marcelo	Do.
Casco 2299.	do.	24. 37	171729	Rosalio Bautista	Do.
Casco 2300.	do.	12. 15	171144	Hilarion Reyes	Do.
Casco 2301.	do.	51. 44	171916	Barbara Gulson	Do.
Casco 2303.	do.	38. 14	171644	Narciso de León	Do.
Casco 2305.	do.	19. 45	171470	Julio Tiongco	Do.
Casco 2306.	do.	29. 30	170477	Angel José	Do.
Casco 2309.	do.	35. 94	171569	Lucas Manapat	Do.
Casco 2313.	do.	30. 66	170642	Jose Fernandez	Do.
Casco 2314.	do.	16. 92	171176	Vicente Villonco	Do.
Casco 2315.	do.	25. 75	171656	J. Tiangco	Do.
Casco 2316.	do.	16. 14	171126	Maixmo Rodriguez	Do.
Casco 2318.	do.	29. 94	171872	Francisco de los Santos	Do.
Casco 2321.	do.	29. 78	170917	Petra Santiago	Do.
Casco 2324.	do.	23. 50	172550	Paula Sevilla	Do.
Casco 2325.	do.	16. 36	170153	Philippine Shipping Co.	Do.
Casco 2327.	do.	33. 26	172544	E. de Marcanda and J. Blanco	Do.
Casco 2328.	do.	40. 65	171179	Vicente Villonco	Do.
Casco 2329.	do.	46. 73	170478	Angel José	Do.
Casco 2330.	do.	24. 71	171317	R. Rodriguez	Do.
Casco 2331.	do.	28. 91	171177	do.	Do.
Casco 2332.	do.	30. 34	172473	Andrés Baria	Do.
Casco 2333.	do.	30. 96	170576	Victor del Rosario	Do.
Casco 2334.	do.	14. 41	170428	Juan Hallare	Do.
Casco 2335.	do.	33. 53	170294	Paula Sevilla	Do.
Casco 2336.	do.	59. 46	170308	Mateas Sanchez	Do.
Casco 2338.	do.	43. 16	170003	Tiburcio Talampas	Do.
Casco 2339.	do.	32. 84	172273	Francisco de los Santos	Do.
Casco 2342.	do.	15. 51	171127	Maximo Lopez	Do.
Casco 2345.	do.	18. 54	170198	Hermogenes Reyes	Do.
Casco 2347.	do.	37. 49	170919	Segunda de Leon	Do.
Casco 2348.	do.	55. 01	172097	Angel Luna	Do.
Casco 2350.	do.	20. 16	170942	M. J. Cruz	Do.
Casco 2353.	do.	52. 44	171978	Ponciano Reyes	Do.
Casco 500.	do.	42. 06	170465	L. G. Pablo	Do.
Casco 501.	do.	31. 12	170462	Crisanto José	Do.
Casco 502.	do.	25. 81	170588	Ignacio Reyes	Do.
Casco 503.	do.	46. 08	170791	Manila Tug and Lighter Co.	Do.
Casco 504.	do.	46. 52	171793	Quintin Montes	Do.
Casco 505.	do.	30. 67	170622	Miguel Lloret	Do.
Casco 549.	do.	28. 99	171980	Ponciano Reyes	Do.
Casco 571.	do.	33. 93	172450	Catalino Sevilla	Do.
Casco 600.	do.	39. 51	170615	Miguel Lloret	Do.
Casco 602.	do.	30. 27	171338	Nicolas Barreto	Do.
Casco 672.	do.	30. 99	171646	Sotero F. Yuntl.	Do.
Casco 703.	do.	29. 29	171786	H. P. Montes	Do.
Casco 1033.	do.	57. 47	172328	M. G. Garcia	Do.
Casco 1044.	do.	24. 76	171798	Mariano Benito	Do.
Casco 1054.	do.	33. 46	171737	Sixto Laesa	Do.
Casco 1058.	do.	34. 71	171738	Romulo Mercado	Do.
Casco 1157.	do.	49. 87	170479	Angel José	Do.
Casco 1213.	do.	31. 54	172270	Romulo Mercado	Do.
Casco 1243.	do.	10. 39	171666	Fabian S. Buenaventura	Do.
Casco 1297.	do.	25. 67	170069	L. R. Yangco	Do.
Casco 1367.	do.	26. 95	171212	Petra Naval	Do.
Casco 1379.	do.	29. 74	170394	Benito Legarda	Do.
Casco 1468.	do.	32. 47	171261	Bibiana Mercado	Do.
Casco 1472.	do.	31. 34	172512	Romulo Mercado	Do.
Casco 1487.	do.	26. 07	170075	L. R. Yangco	Do.
Casco 1504.	do.	28. 02	170062	do.	Do.
Casco 1506.	do.	33. 17	170063	do.	Do.
Casco 1514.	do.	33. 35	170079	do.	Do.
Casco 1527.	do.	21. 13	170076	do.	Do.
Casco 1535.	do.	26. 48	171751	Juan Agustin	Do.
Casco 1545.	do.	64. 55	170975	Eugenio Lichauco	Do.
Casco 1573.	do.	26. 32	171657	Julio Tiangco	Do.
Casco 1576.	do.	48. 73	170608	Miguel Lloret	Do.
Casco 1582.	do.	21. 27	170065	L. R. Yangco	Do.
Casco 1594.	do.	43. 52	170066	do.	Do.
Casco 1609.	do.	23. 11	170071	do.	Do.
Casco 1611.	do.	24. 21	170207	Jose Lim	Do.
Casco 1639.	do.	21. 66	170590	Ignacio Reyes	Do.
Casco 1662.	do.	15. 86	172617	Fabian San Buenaventura	Do.
Casco 1668.	do.	29. 77	170058	Marcosa Susano	Do.
Casco 1683.	do.	32. 91	171983	Ponciano Reyes	Do.
Casco 1686.	do.	31. 08	170067	L. R. Yangco	Do.
Casco 1690.	do.	30. 45	170393	Benito Legarda	Do.
Casco 1690.	do.	28. 12	170078	L. R. Yangco	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Casco 1692.	Casco	40. 14	172437	Eligio Naval.	Manila.
Casco 1693.	do	52. 25	170073	L. R. Yanco.	Do.
Casco 1702.	do	20. 25	171605	Leonardo Osorio.	Do.
Casco 1706.	do	24. 00	171150	Maria Yra.	Do.
Casco 1715.	do	45. 35	171976	Ponciano Reyes	Do.
Casco 1717.	do	22. 60	170070	L. R. Yanco.	Do.
Casco 1724.	do	33. 68	170211	F. A. Gaza.	Do.
Casco 1751.	do	21. 61	170630	Segundo Mercado	Do.
Casco 1753.	do	37. 01	172570	Fortunata Rivera	Do.
Casco 253.	do	61. 76	170628	Miguel Lloret	Do.
Casco 268.	do	49. 66	171788	H. P. Montes	Do.
Casco 273.	do	26. 37	172403	Nemecio Sarino	Do.
Casco 278.	do	29. 17	172421	Segundo Mercado	Do.
Casco 285.	do	42. 02	171570	Lucas Manapat	Do.
Casco 286.	do	44. 84	171982	Ponciano Reyes	Do.
Casco 290.	do	42. 76	171809	Manila Navigation Co.	Do.
Casco 298.	do	45. 05	170775	Manila Tug and Lighter Co.	Do.
Casco 317.	do	55. 57	171600	Rocha & Co.	Do.
Casco 330.	do	31. 94	172471	Potenciano Gabriel	Do.
Casco 332.	do	21. 08	170618	Miguel Lloret	Do.
Casco 334.	do	32. 70	172668	Agaton Romero.	Do.
Casco 345.	do	38. 72	170470	Angel José.	Do.
Casco 353.	do	25. 55	170468	L. G. Pablo	Do.
Casco 359.	do	24. 78	170154	Philippine Shipping Co.	Do.
Casco 368.	do	48. 35	170773	Manila Tug and Lighter Co.	Do.
Casco 372.	do	34. 08	171841	Felipe Campomanes	Do.
Casco 374.	do	16. 29	172491	Maria L. de Leon	Do.
Casco 384.	do	29. 07	170627	Miguel Lloret	Do.
Casco 385.	do	37. 80	170625	do	Do.
Casco 389.	do	53. 29	171984	Ponciano Reyes	Do.
Casco 391.	do	16. 05	170466	L. G. Pablo	Do.
Casco 397.	do	11. 09	170196	M. Malabanan	Do.
Casco 398.	do	12. 37	172252	Paulino Narvaes.	Do.
Casco 402.	do	22. 07	172053	Fulgencio Cayton	Do.
Casco 403.	do	29. 96	171787	H. P. Montes	Do.
Casco 404.	do	38. 33	172201	Rocha & Co.	Do.
Casco 408.	do	31. 61	170951	F. Ortigas and F. Gonzales	Do.
Casco 413.	do	34. 01	171843	Higino Montes	Do.
Casco 425.	do	36. 65	171808	Manila Navigation Co.	Do.
Casco 426.	do	41. 96	172472	Ruperta Aquino.	Do.
Casco 436.	do	21. 51	171269	Quiteria Pascual and others	Do.
Casco 439.	do	46. 37	172435	Victoriano Gomez	Do.
Casco 441.	do	35. 25	170620	Miguel Lloret	Do.
Casco 442.	do	25. 70	170611	do	Do.
Casco 443.	do	47. 26	170621	do	Do.
Casco 446.	do	18. 88	170616	do	Do.
Casco 448.	do	47. 96	170776	Manila Tug and Lighter Co.	Do.
Casco 450.	do	53. 42	171263	Pilar Corrales	Do.
Casco 451.	do	19. 39	172002	Lucia Rizal	Do.
Casco 452.	do	48. 72	170442	Eclipse Lighter Co.	Do.
Casco 453.	do	40. 42	172272	Francisco de los Santos	Do.
Casco 454.	do	48. 69	170298	Filomena Claudio	Do.
Casco 456.	do	55. 76	170617	Miguel Lloret	Do.
Casco 457.	do	35. 30	171286	Dionisio Santos	Do.
Casco 459.	do	28. 26	170469	L. G. Pablo	Do.
Casco 460.	do	43. 23	170788	Manila Tug and Lighter Co.	Do.
Casco 461.	do	34. 49	172009	C. J. Zulueta	Do.
Casco 467.	do	26. 69	170167	L. G. Pablo	Do.
Casco 470.	do	39. 35	170774	Manila Tug and Lighter Co.	Do.
Casco 471.	do	46. 13	170435	Eclipse Lighter Co.	Do.
Casco 473.	do	40. 30	170792	Manila Tug and Lighter Co.	Do.
Casco 477.	do	59. 56	170610	Miguel Lloret	Do.
Casco 2111.	do	33. 06	170150	Eufemia Antonio	Do.
Casco 2112.	do	37. 36	170764	Enrique Gonzalez	Do.
Casco 2213.	do	41. 03	172616	Francisco Rodan	Do.
Casco 2122.	do	14. 25	171457	Eugenio Santiago	Do.
Casco 2123.	do	31. 33	171101	Florentina Sta. Maria	Do.
Casco 2140.	do	55. 22	171625	Juan Agustin	Do.
Casco 2144.	do	34. 48	170101	Victoria y Maria Ayllon	Do.
Casco 2147.	do	48. 99	172059	Nicolasa Feliciano	Do.
Casco 2149.	do	9. 98	171344	Genara Malinis	Do.
Casco 2150.	do	13. 26	170392	P. L. de Leon	Do.
Casco 2156.	do	39. 62	171790	Higino Montes	Do.
Casco 2157.	do	26. 24	170307	Matias Sanchez	Do.
Casco 2158.	do	29. 24	172211	Eligio Naval	Do.
Casco 2161.	do	63. 33	172426	Agustina Paguia	Do.
Casco 2164.	do	58. 83	170687	Cayetano Tuason	Do.
Casco 2165.	do	28. 95	171598	Rocha & Co.	Do.
Casco 2167.	do	23. 63	171354	Bonifacio Viri	Do.
Casco 2171.	do	30. 93	171791	Hugo Montes	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Casco 2172.....	Casco.....	38.73	171926	M. L. Santiago.....	Manila.
Casco 2183.....	do.....	41.14	170301	Matias Sanchez.....	Do.
Casco 2185.....	do.....	22.50	171151	Maria Ira.....	Do.
Casco 2187.....	do.....	41.18	172392	Candido Valdes.....	Do.
Casco 2188.....	do.....	29.24	172108	Eligio Naval.....	Do.
Casco 2193.....	do.....	50.17	170045	Pasig Steamer and Lighter Co.....	Do.
Casco 2194.....	do.....	34.76	171597	Rocha & Co.....	Do.
Casco 2199.....	do.....	50.17	171567	Lucas Manapat.....	Do.
Casco 2201.....	do.....	24.56	171464	Antonio Dagal.....	Do.
Casco 2203.....	do.....	32.40	171842	Higinio Montes.....	Do.
Casco 2205.....	do.....	5.98	171347	Ramona Rodriguez.....	Do.
Casco 2206.....	do.....	7.43	171653	Juan V. Santos.....	Do.
Casco 2210.....	do.....	29.35	170303	Matias Sanchez.....	Do.
Casco 2211.....	do.....	30.31	171826	Enrique Rocha.....	Do.
Casco 2215.....	do.....	6.81	172422	Rafael Ferrer.....	Do.
Casco 2218.....	do.....	41.37	171599	Rocha & Co.....	Do.
Casco 2224.....	do.....	21.89	171981	Ponciano Reyes.....	Do.
Casco 2225.....	do.....	29.62	172098	C. J. Zulueta.....	Do.
Casco 2226.....	do.....	29.10	172056	Catalina Vivas.....	Do.
Casco 2227.....	do.....	34.90	170650	Petra Naval.....	Do.
Casco 2228.....	do.....	45.79	172532	Emilio Soriano.....	Do.
Casco 2230.....	do.....	32.46	171339	Nicolas Barretto.....	Do.
Casco 2232.....	do.....	30.41	172531	Maria Ira.....	Do.
Casco 2236.....	do.....	53.72	171660	Guillermo Layce.....	Do.
Casco 2238.....	do.....	55.00	172360	Catalino Sevilla.....	Do.
Casco 2239.....	do.....	49.50	170301	Matias Sanchez.....	Do.
Casco 2241.....	do.....	39.76	171257	Timoteo Sevilla.....	Do.
Casco 2242.....	do.....	23.24	170952	Martin Gonzalez.....	Do.
Casco 2244.....	do.....	48.96	170305	Matias Sanchez.....	Do.
Casco 2246.....	do.....	9.84	171659	Sabas Bascis.....	Do.
Casco 2249.....	do.....	10.18	172281	Patricio Bernabe.....	Do.
Casco 2252.....	do.....	5.74	172104	Anselma R. Cruz.....	Do.
Casco 2255.....	do.....	17.90	171740	Manuela Catapia.....	Do.
Casco 2257.....	do.....	12.95	170944	M. T. Cruz.....	Do.
Casco 2258.....	do.....	18.47	170575	Felipe Gaza.....	Do.
Casco 1769.....	do.....	24.93	170208	Jose Lim.....	Do.
Casco 1771.....	do.....	47.36	171586	E. Rocha.....	Do.
Casco 1774.....	do.....	26.91	171784	H. P. Montes.....	Do.
Casco 1775.....	do.....	30.42	172269	Romulo Mercado.....	Do.
Casco 1783.....	do.....	14.39	171772	Juana Narvaes.....	Do.
Casco 1786.....	do.....	28.39	170457	Jesé Lim.....	Do.
Casco 1788.....	do.....	20.54	170664	L. R. Yangco.....	Do.
Casco 1796.....	do.....	33.27	171333	Esteban Rio.....	Do.
Casco 1804.....	do.....	31.23	172054	Eligio Naval, administrator.....	Do.
Casco 1806.....	do.....	6.14	171318	Maximo Rodriguez.....	Do.
Casco 1809.....	do.....	30.57	172105	Apolonio Crisostomo.....	Do.
Casco 1810.....	do.....	8.46	171652	Pablo Rodriguez.....	Do.
Casco 1821.....	do.....	26.74	171572	M. de la Cruz.....	Do.
Casco 1822.....	do.....	28.35	171617	do.....	Do.
Casco 1825.....	do.....	43.85	170613	Miguel Lloret.....	Do.
Casco 1827.....	do.....	49.41	170647	Eulogia Arillas.....	Do.
Casco 1836.....	do.....	24.83	170072	L. R. Yangco.....	Do.
Casco 1843.....	do.....	32.58	170761	José Ongchanco.....	Do.
Casco 1845.....	do.....	26.66	171337	Nicolas Barretto.....	Do.
Casco 1866.....	do.....	38.37	170074	L. R. Yangco.....	Do.
Casco 1874.....	do.....	26.43	170397	Adriano Quinto.....	Do.
Casco 1890.....	do.....	34.92	172647	Mariano Santos.....	Do.
Casco 1891.....	do.....	28.28	172079	Florentino Turia.....	Do.
Casco 1895.....	do.....	35.79	170619	Miguel Lloret.....	Do.
Casco 1900.....	do.....	27.80	172670	Sergio Lacamana.....	Do.
Casco 1910.....	do.....	33.12	171778	Juan Magallindan.....	Do.
Casco 1911.....	do.....	26.49	170077	L. R. Yangco.....	Do.
Casco 1917.....	do.....	10.30	171989	Fabian S. Buenaventura.....	Do.
Casco 1935.....	do.....	25.71	171789	Higinio Montes.....	Do.
Casco 1978.....	do.....	27.17	170158	Jose Lim.....	Do.
Casco 1981.....	do.....	26.74	171568	Lucas Manapat.....	Do.
Casco 1992.....	do.....	34.24	172598	Miguel Ponce de Leon.....	Do.
Casco 1995.....	do.....	35.11	170434	Eclipse Lighter Co.....	Do.
Casco 2000.....	do.....	26.08	172240	Eligio Naval.....	Do.
Casco 2014.....	do.....	28.66	171597	Quintin Montes.....	Do.
Casco 2015.....	do.....	30.04	172406	Cristina Chavez.....	Do.
Casco 2030.....	do.....	32.08	172560	Jose Rivera.....	Do.
Casco 2040.....	do.....	35.93	171276	Hipolito Oliveros.....	Do.
Casco 2048.....	do.....	25.35	171165	Antonio Dagal.....	Do.
Casco 2051.....	do.....	19.63	171979	Ponciano Reyes.....	Do.
Casco 2064.....	do.....	22.45	171340	Anselmo Ponce.....	Do.
Casco 2065.....	do.....	32.13	171794	Quintin Montes.....	Do.
Casco 2008.....	do.....	34.60	170433	Eclipse Lighter Co.....	Do.
Casco 2073.....	do.....	30.25	171615	Lucas Manapat.....	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904.—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Casco 2078.	Casco.	16.46	171352	Benito J. Mojica.	Manila.
Casco 2083.	do.	16.15	171275	Tiburcio Perez.	Do.
Casco 2087.	do.	45.45	170304	José Posas.	Do.
Casco 2088.	do.	30.32	170308	L. R. Yangco.	Do.
Casco 2092.	do.	29.35	170302	Matias Sanchez.	Do.
Casco 2095.	do.	25.30	171616	Lucas Manapat.	Do.
Casco 2097.	do.	43.28	170772	Manila Tug and Lighter Co.	Do.
Casco 2100.	do.	28.83	170306	Matias Sanchez.	Do.
Casco 2108.	do.	27.04	171178	Vincente Villonco.	Do.
Casco 2136.	do.	52.20	172107	Eligio Naval.	Do.
Casco 2440.	do.	41.22	172493	Agaton Romero.	Do.
Casco 2441.	do.	38.00	172463	Apolonio Damesa.	Do.
Casco 2442.	do.	56.48	172057	Albino Santos.	Do.
Casco 2443.	do.	41.39	172200	Honorato Agraba.	Do.
Casco 2445.	do.	9.07	172062	Timoteo Hernale.	Do.
Casco 2416.	do.	11.34	172612	Gervasio Santos.	Do.
Casco 2447.	do.	57.46	172529	Teodoro Javier.	Do.
Casco 2449.	do.	44.56	171773	M. D. Mayrassay and others.	Do.
Casco 2450.	do.	40.98	171774	do.	Do.
Casco 2451.	do.	11.43	171930	Donata Albarado.	Do.
Casco 2452.	do.	12.43	172198	Felipe Bansen.	Do.
Casco 2453.	do.	12.36	171343	Gavino Bautista.	Do.
Casco 2454.	do.	57.59	172330	Timoteo Sevilla.	Do.
Casco 2456.	do.	19.71	172404	Pedro Reyes.	Do.
Casco 2457.	do.	41.86	172277	Luis Hidalgo.	Do.
Casco 2458.	do.	57.94	172409	Manuel Escaler.	Do.
Casco 2459.	do.	60.85	172667	Jose Ong-changco.	Do.
Casco 2460.	do.	52.35	172329	Donato A. Cruz.	Do.
Casco 2462.	do.	53.82	172595	Eligio Naval.	Do.
Casco 2464.	do.	9.93	170970	Francisca Roque.	Do.
Casco 2467.	do.	16.52	172424	Juan Sebastian.	Do.
Casco 2469.	do.	14.16	170483	Mantela T. Cruz.	Do.
Casco 2470.	do.	31.92	172650	Timoteo Sevilla.	Do.
Casco 2483.	do.	58.07	171768	Macario Lim.	Do.
Casco 2484.	do.	14.88	171654	Santos T. Santos.	Do.
Casco 2491.	do.	68.71	172546	Anselmo Celedonio.	Do.
Casco 2492.	do.	17.33	172078	Pedro Ignacio.	Do.
Casco 2493.	do.	50.72	172306	Angel Luna.	Do.
Casco 2496.	do.	28.91	170010	Pedro A. Santos.	Do.
Casco 2497.	do.	43.05	170002	Geronimo Jose.	Do.
Casco 2498.	do.	13.74	170568	Jose R. Montante.	Do.
Casco 2499.	do.	37.91	170809	Donata Albarado.	Do.
Casco 2500.	do.	6.95	170815	Ismael Vitan.	Do.
Casco 2501.	do.	14.02	170913	Ciriaco Bautista.	Do.
Casco 2502.	do.	10.72	171125	Manuel Saguinsin.	Hilo.
Casco 2503.	do.	9.50	171213	Francisca Roque.	Manila.
Casco 2505.	do.	18.13	171335	Zacarias Salonga.	Do.
Casco 2506.	do.	29.24	171623	Santiago Trillano.	Do.
Casco 2507.	do.	6.80	172199	Juan Novera.	Do.
Casco 2508.	do.	10.93	172322	Benita de Leon.	Do.
Casco 2509.	do.	11.41	172324	Eulalia Perez.	Do.
Casco 2510.	do.	35.32	172119	Eugenio Rufino.	Do.
Casco 2511.	do.	13.02	172654	Cayetano Quicho.	Do.
Canisi.	Sail.	51.21	170586	Jose Trias.	Hilo.
Casian.	do.	5.37	171216	Enrique Canovas.	Cuyo.
Castellana.	Lighter.	31.27	170216	Manuel Gaspar.	Manila.
Castro.	Sail.	6.95	171839	Julio Castro.	Hilo.
Cataingan.	do.	42.18	171418	Marcelo Bencon.	Cebu.
Catala.	do.	6.07	172213	Candida Rabaya.	Do.
Catalina.	Steamer.	31.36	170321	Manuel Guaso.	Hilo.
Catalina.	Sail.	7.21	170895	Vicente Abuyon.	Cebu.
Catalina.	do.	5.16	171413	Ambrosio Aersar.	Do.
Catalina.	do.	5.57	171579	Benifacio Valle.	San Jose d
Catalina.	do.	7.73	172452	Daniel Torrido.	Hilo.
Catalina.	do.	8.57	172522	Lorenzo Lavatite.	Butavista.
Catarmán.	do.	6.75	172418	Hilario Cervantes.	Butangas.
Catillochu.	Steamer.	18.99	170085	M. B. Asensi.	Catubogan.
Catolicu.	Sail.	5.76	171056	Albina Rothman.	Manila.
Cavite.	Lighter.	60.14	170043	Pasig Steamer and Lighter Co.	Cebu.
Cavite.	Barge.	31.13	172430	Manuel Earnshaw & Co.	Manila.
Caysaysay.	Sail.	47.95	171800	Jose Villavicencio.	Do.
Casador.	do.	207.75	170089	Rafael Calvo.	Do.
Casador.	do.	5.19	172645	Eusebio de Pcs.	Do.
Cebu.	Lighter.	95.00	170115	M. B. Asensi.	Tacloban.
Cebu.	Steamer.	648.00	170398	Manila Shipping and Trans- portation Co.	Manila.
Cecile.	Sail.	5.36	172433	Benancio Bergunio.	Do.
Cecilia.	do.	6.72	171091	Basilio Abuyon.	Legaspi.
Cecilia.	do.	8.22	172620	Teodoro Tupu.	Tacloban.

APPENDIX C-2.—*List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.*

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Cecilio	Sail	170.19	170230	Francisco Reyes	Manila.
Celerino Llorente	Steamer	73.74	170231	Hiers of Martina Viuda de Llorente	Cebu.
Cejas	Sail	15.72	171061	Baldomero Villaver	Do.
Celaje	do	10.74	171414	Gaudencio Tabotabo	Do.
Celestina	do	19.32	171046	Juana Bongabon	Do.
Ceniza	do	5.91	172084	Juan Dolormente	Do.
Centinos	Steamer	37.65	170322	Iloilo Steamer and Sail Lighter Co.	Iloilo.
Cerapia	Sail	8.07	172563	Ambrosio Laure	Tacloban.
Cereña	do	8.22	172353	Jacinto Limjap	Manila.
Caros	do	5.54	172256	Romualdo Ceros	Iloilo.
Champaña	do	73.25	170081	Atanacia Aniversario	Manila.
Chicago	Steamer	154.81	170395	Galo Lichauco	Do.
China	Sail	9.88	170871	Nicolas Arhortante	Cebu.
Churruca	Steamer	86.69	170930	Compañia Maritima	Manila.
Cinta	Sail	36.39	170377	E. de la Rama	Iloilo.
Cirneo	do	13.53	171466	Isabel Alvares	Manila.
Ciudad	Lighter	32.42	171549	Macleod & Co.	Cebu.
Claudio	Casco	49.02	170111	M. B. Asensi	Manila.
Claudio	Sail	8.34	172539	Claudio Gallares	Cebu.
Clotilde	Lighter	60.90	170219	Juan Gasper	Manila.
Clotilde	Sail	11.73	170819	Doroteo Sijera	San Jose de Buenavista.
Colon	do	31.10	170685	Miguel Calafat	Manila.
Comandante	Steam launch.	47.73	170033	J. B. Yangco	Do.
Comercio	Sail	8.80	172172	Fermin Macayana	Aparri.
Cometa	do	10.14	170675	H. Encarnacion	Manila.
Cometa	do	10.65	171138	Flaviano Siason	Aparri.
Cometa	Lighter	39.93	171664	Nicolas Arhortante	Manila.
Comillas I.	Steam launch.	14.04	171576	Leopoldo Criado	Do.
Comillas II.	do	12.05	170139	M. B. Asensi	Do.
Commodore	Gasoline launch.	5.15	172115	California-Manila Lumber Commercial Co.	Do.
Compañia	Sail	5.03	171485	Fermin Coral	Legaspi.
Compañia de Filipinas.	Steamer	397.16	170012	M. B. Asensi.	Manila.
Compasion	Sail	20.80	171120	D. Maninang	Iloilo.
Conant	Casco	15.62	170254	Andres Roa	Cebu.
Conant	Sail	6.95	172030	Maximino Estrella	Do.
Concepcion	Lighter	94.87	170440	Eclipse Lighter Co.	Manila.
Concepcion	Sail	48.44	170700	G. Yulo	Iloilo.
Concepcion	do	5.75	171948	Quiterio Avilla	Dumaguete.
Concepcion	Banca	6.78	172159	Castor Concepcion	Cebu.
Concepcion Filomena.	Sail	42.92	171782	S. Bella and G. Baterino	San Fernando
Concha	do	12.69	171017	Fermin Macayaya	Aparri.
Conchita	do	32.94	170825	A. F. Carrick	Catbalogan.
Conchita	do	15.00	172088	Vicente Fortich	Surigao.
Conchita	do	17.88	172153	Alipio Aguirre	Iloilo.
Conge	do	9.81	171136	G. Villador	Aparri.
Congzon	do	8.53	170281	Juan Cinco	Catbalogan.
Congzon	do	8.53	171827	Juan Congson	Do.
Consolacion	do	17.42	170283	Honorato Rubi	Cebu.
Consolacion	do	10.50	171893	Fernando Nicolas	Aparri.
Consorsia	do	6.43	172378	Cosorcia Villavert	San Jose de Buenavista.
Constancia	do	9.30	171430	Andres Rodriguez	Cebu.
Constante	do	14.76	170453	Gregorio Tolosa	Catbalogan.
Consuelo	do	5.37	170006	Felipe Reyes	Manila.
Consuelo	Casco	36.08	170108	M. B. Asensi	Do.
Consuelo	Lighter	48.20	170217	Manuel Gaspar	Do.
Consuelo	Sail	5.09	171364	Eugenio Ramirez	Dumaguete.
Consuelo	do	6.28	172479	Narciso Marapao	Cebu.
Coprax	do	15.45	172383	Benito Isaac	Manila.
Coquinera	do	32.39	170387	T. Rabadilla	Iloilo.
Corazon de Jesus	do	15.13	172033	Dionisio Vilrar	Cebu.
Corazon de Maria	do	39.36	171306	Domingo Fugrad	Manila.
Corazon de Maria	do	9.53	171528	Jose Peeson	Subic.
Cordoba	do	53.73	171871	M. N. José	Manila.
Cordoba	do	55.93	171712	Eclipse Lighter Co.	Iloilo.
Cordoba	do	5.42	172501	Vicente de Hierro	Dumaguete.
Corella	do	44.82	170323	M. Lizarraga	Iloilo.
Cornelia	Lighter	75.20	170974	Luisa Fernandez	Manila.
Cornello	Sail	9.64	171564	Cornello Cudoyong	Cebu.
Corpus Christi	do	22.46	171544	José Maghinay	Do.
Corpus Christi	do	22.46	172023	Harry Lee Brown	Do.
Corredor	do	5.84	171888	Francisco Castro	Aparri.
Corregidor	do	5.00	171482	Maximo Competente	Legaspi.
Cosmecho	Lighter	15.81	170114	M. B. Asensi	Manila.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Cosmopolita.....	Steam launch..	35.55	171964	Felix de la Rama.....	Manila.
Covadonga.....	Sail.....	37.97	170378	E. de la Rama.....	Iloilo.
Covadonga.....	Steam launch..	18.79	172613	Juan Garcia.....	Manila.
Creciente.....	Sail.....	7.88	170455	Vicente Cinco.....	Catbalogan.
Crescencia.....	do.....	14.34	170861	Nicolas Belis.....	Cebu.
Cristiano.....	do.....	5.41	172290	Isidro Trinidad.....	Dumaguete.
Cristina.....	Lighter.....	121.26	170117	M. B. Asensi.....	Manila.
Crudo.....	do.....	5.73	170873	Juan Crudo.....	Cebu.
Cuatro Hermanos.....	do.....	32.43	171121	Pasig Steamer and Lighter Co.	Iloilo.
Cuenca.....	do.....	5.09	172621	Matco Gunban.....	Do.
Culasian.....	do.....	6.71	171709	Matze.....	Balabac.
Cupido.....	do.....	7.01	170991	José Zulueta.....	Iloilo.
Curculas.....	do.....	12.58	171203	Pedro Raagas.....	Cebu.
Curracha.....	do.....	5.54	172318	Marcelino Apolinar.....	Catbalogan.
Cuyson.....	do.....	14.70	172155	Januario Cuyson.....	Cebu.
D.....	Barge.....	184.58	171804	Manila Navigation Co.....	Manila.
Dado.....	Sail.....	49.88	171003	A. Asencio.....	Iloilo.
Dalaga.....	do.....	34.54	170992	Manila Shipping and Trans- portation Co.....	Do.
Dalia.....	do.....	41.44	170701	H. Candalesa.....	Do.
Dalmacia.....	do.....	6.93	171190	Pedro Agpasa.....	Cebu.
Dalupaon.....	Steamer.....	55.84	170277	J. M. Switzer & Co.....	Do.
Damian.....	Sail.....	11.96	171548	Apolinario Yugo.....	Do.
Damiana.....	do.....	23.11	171349	Narciso de Castro.....	Manila.
Danis.....	do.....	Sunk.	170636		
Danisanon.....	do.....	5.42	172309	Valentin Tiricos.....	Cebu.
Danlagan.....	do.....	6.90	171479	Candido Beato.....	Legaspi.
Dasmariñas.....	do.....	6.89	170410	Isabelo Fernandez.....	Tacloban.
David.....	do.....	23.76	170560	Hilarion Martinez.....	Cebu.
Debuena.....	do.....	13.24	171910	Castor Concepcion.....	Do.
De Casa.....	do.....	16.51	171616	Saturmino Marapas.....	Do.
De la Paz.....	do.....	8.08	171219	Juan Jagnis.....	Cuyo.
De la Paz.....	do.....	5.11	170508	Pablo Duran.....	Tacloban.
Del Pilar.....	do.....	8.60	171161	Gregorio Gava.....	Batangas.
Delfin Sta. Victoria.....	do.....	50.73	171287	Ladislao Donato.....	Manila.
Delicias.....	do.....	8.12	171044	Nicolas Butalig.....	Cebu.
Denver.....	do.....	7.63	170853	Isabelo Buenaventura.....	Do.
Desquitar.....	do.....	7.62	171107	Claudio Doromal.....	Iloilo.
Deux.....	Banca.....	5.12	170510	Vidal Solana.....	Tacloban.
Dexter.....	Sail.....	115.38	171583	Frank S. Bourms.....	Manila.
Diamantina.....	do.....	36.41	170324	M. Lizarraga.....	Iloilo.
Diego.....	do.....	61.93	170853	Tomas Osmeña.....	Cebu.
Diez Hermanos.....	do.....	16.21	171421	Tomas Caketa.....	Do.
Dinero.....	do.....	8.24	172173	Fermin Macanaya.....	Aparri.
Dionisia.....	Steam launch..	7.10	172380	Miguel Calafat.....	Do.
Dipangit.....	Sail.....	14.86	171681	Hospicio Camacho.....	Do.
Divá.....	do.....	32.34	171934	H. Candalesa.....	Iloilo.
Divino Infante.....	do.....	53.05	171181	Juliana Florendo.....	Manila.
Divino Infante.....	do.....	55.34	172246	M. Quillop, T. Quillop, and R. Francisco.....	San Fernando
Dolalas.....	do.....	11.96	172149	Bernardino Dololas.....	Cebu.
Dolores.....	do.....	49.31	170379	E. de la Rama.....	Iloilo.
Dolores.....	Steam launch..	15.42	171875	Pilar Corrales.....	Manila.
Dolorosa.....	Sail.....	5.00	172182	Francisco Capilig.....	San Jose de Buenavista.
Dolotina.....	do.....	11.60	170878	Eugenio Sagara.....	Cebu.
Dolly.....	do.....	9.60	170822	A. F. Carrick.....	Catbalogan.
Dominga.....	Steam launch..	8.06	171713	J. J. Borre.....	Iloilo.
Domingo.....	Sail.....	6.23	171533	Domingo Garcia.....	Cebu.
Domingo.....	do.....	11.09	171941	Domingo Florentino.....	Aparri.
Don Engracio.....	Steamer.....	280.48	170016	Alejandra Pulanca.....	Manila.
Don Francisco.....	do.....	57.26	171642	Pedro Martinez.....	Do.
Don José.....	do.....	86.84	170093	V. D. Fernandez.....	Do.
Don Vicente.....	Steam launch..	21.57	170017	Alejandra Pulanca.....	Do.
Doña Dominga.....	Steamer.....	65.62	170026	T. R. Yangco.....	Do.
Doña Maria.....	Sail.....	11.61	171314	José Arana.....	Do.
Doña Segunda.....	Lighter.....	89.54	170793	Manila Shipping and Trans- portation Co.....	Do.
Doña Trinidad.....	do.....	96.19	170989	do.....	Do.
Dorotea.....	do.....	92.45	170436	Eclipse Lighter Co.....	Do.
Dos Amigos I.....	Sail.....	13.82	171054	Mamerto Ibo.....	Cebu.
Dos Hermanas.....	do.....	89.83	170968	Eulalio Glinoga.....	Manila.
Dos Hermanas.....	do.....	8.41	171068	Augustin Adamies.....	Subic.
Dos Hermanas.....	do.....	12.53	172195	Agripina Sanchez.....	Manila.
Dos Hermanos.....	Steamer.....	540.67	170008	Leopoldo Criado.....	Do.
Dos Hermanos.....	Sail.....	8.35	170090	B. A. Green.....	Do.
Dos Hermanos.....	do.....	10.99	170836	F. Buenaventura.....	Aparri.
Dos Hermanos.....	do.....	9.01	170983	Esteban Ortega.....	Iloilo.
Dos Hermanos.....	do.....	29.17	171283	Pedro Mina.....	Manila.
Dos Hermanos.....	do.....	8.98	171932	Estanislao Macudag.....	Aparri.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Doris	Lighter	63.29	170127	G. Abella	Manila.
Dumacaa	Sail	5.31	171858	Zenon Sampayo	Batangas.
Duran	do	5.93	171302	Juan Duran	Cebu.
E	Banca	5.33	172179	Pascual de la Liana	Tacloban.
Eastern	Steam launch.	8.43	170980	Eastern Dredging and Filling Co.	Manila.
Eclipse	do	12.34	170432	Eclipse Lighter Co.	Do.
Edith	Sail	7.95	170740	A. F. Carrick	Catbalogan.
Edith	do	47.64	170994	Manila Shipping and Transportation Co.	Iloilo.
El Hocano	do	8.87	172562	Anacleto Singson	Aparri.
El Progreso	do	5.52	171083	Baldomero Achacso	Subic.
El Rio	do	5.31	171440	Pedro Arag.	Iloilo.
Eladio	do	10.23	170264	E. Boaqueña	Cebu.
Elcano	Steamer	518.00	170929	Compañia Maritima	Manila.
Ella	Lighter	56.52	170717	José I. de Jesus	Do.
Elías	Sail	7.36	171882	Norberto Bon	Sorsogon.
Elisa	Lighter	100.58	170178	M. B. Asensi	Manila.
Elisa	Sail	12.65	171714	Filomeno Hedriano	Iloilo.
Elita	do	10.36	171933	A. Eduardo	Do.
Elsie	Steam launch	5.98	170986	George Davis	Manila.
Elvira	Lighter	110.22	170794	Manila Shipping and Transportation Co.	Do.
Emigdio de la Cruz	Sail	5.75	172044	Isaac de la Cruz	Aparri.
Emilia	do	66.91	170325	C. H. de los Reyes	Iloilo.
Emilia	do	435.69	170514	Philippine Lumber and Development Co.	Manila.
Emilia	do	8.43	170681	Miguel Calafat	Do.
Emilia	do	5.13	170635	Manuel Escusis	Batangas.
Emilia	do	11.47	170658	Acadia Cahol	Manila.
Emilia	do	5.45	172064	Francisco Panaysay	Dumagueta.
Emiliano	do	8.20	172143	Macario Caballo	Cebu.
Emilia	do	10.33	171307	Dionisio T. Santos	Manila.
Emma	do	45.22	170502	Heilo Steamer and Lighter Co.	Iloilo.
Emma	Lighter	83.66	170787	Manila Tug and Lighter Co.	Manila.
Emperatriz	Sail	35.99	170336	Pedro Juarez	Iloilo.
Emperatriz Elena	do	7.74	171373	Joaquin Fernin	Subic.
Emy	do	43.00	171935	José Zuli et al.	Iloilo.
Encarnacion	do	5.98	171701	Ciriaco Nieves	Tacloban.
Enorio	do	9.28	172139	Rosalio Enorio	Cebu.
Enrique	do	5.50	171951	Juan Melgar	Do.
Enrique	do	10.75	171192	Enrique Maquillin	Do.
Enriques	do	8.24	172214	Marcelo Enrique	Do.
Enriqueña	do	6.55	171468	Matias D. Reyes	Tacloban.
Enriqueña	Steam launch	19.26	171108	A. B. Johnson	Iloilo.
Ensayo	Lighter	45.79	170795	Manila Shipping and Transportation Co.	Manila.
Episodio	Sail	8.78	172622	Alejandro Dumagat	Iloilo.
Erica	Steam launch	46.44	171776	Philippine Sugar Estates Development Co.	Manila.
Escalera	Sail	7.22	172397	Julio Lunarruga	Cebu.
Escarilla	do	7.74	172966	Pablo Escarilla	Legaspi.
Esclamador	do	6.48	171427	Gervasio Esclamador	Cebu.
Escocia	do	35.56	170327	Nemesio Zuleta	Iloilo.
Esmeralda	do	23.54	171747	Vidal Cuses	San Fernando.
Espana	do	42.49	170328	Gregorio Yulu	Iloilo.
Esperanza	do	6.20	170419	Isabelo Fernandez	Tacloban.
Esperanza	do	11.44	170530	Apolinario Bravo	Aparri.
Esperanza	do	10.54	170541	Maxima Marcelino	Do.
Esperanza	do	6.00	170721	Gregorio Francisco	Manila.
Esperanza	do	6.10	170826	Imeneo Quisquisan	Catbalogan.
Esperanza	do	70.89	170885	Felipe Lopez	Cebu.
Esperanza	do	18.83	170905	Crispian Almagre	Do.
Esperanza	do	11.86	171020	Catalina de Rivera	Aparri.
Esperanza	do	99.29	171152	H. Rosales and M. de la Peña	Manila.
Esperanza	do	40.24	171872	Mariano Villanueva	Iloilo.
Esperanza	do	20.81	172165	Pelayo Lopez	Cebu.
Esperanza	do	20.37	172339	Silvino Tubera	San Fernando.
Espiritu	do	5.82	172150	Vicente Entero	Cebu.
Estrella	do	41.86	170329	Philippine Shipping Co.	Iloilo.
Estrella	do	45.91	170330	N. Arbozante	Do.
Estrella	do	5.25	172504	Constancia Lemaces	San Jose de Buenavista.
Estrella	Steam launch	9.51	170670	H. Encarnacion	Manila.
Estrella del Mar	Sail	6.71	171921	Restituta Arquillo	Aparri.
Estrella del Norte	do	77.10	170286	Gregorio Sy-Quia	Do.
Estrella Margarita	do	12.20	171084	Leocadio Alile	Subic.
Estrel	Lighter	80.80	170125	G. Abella	Manila.
Eugenia	do	147.82	170597	Jose Loregat	Do.
Eulalia	Sail	48.43	170380	E. de la Rama	Iloilo.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904.—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Eulalia.	Sail.	13.94	171048	Timoteo Jubac.	Cebu.
Eulogio.	do.	10.51	171224	Eulogio Oviera.	San Jose de Buenavista.
Eusebia.	do.	6.80	172280	Mariano Librado.	Dumaguete.
Euskara.	do.	67.74	172160	Monico Lizarraga.	Hilo.
Evangelista.	do.	9.85	170907	Faustino de Guia.	Cebu.
Evarelo.	do.	6.92	171429	Pablo Evarelo.	Do.
Evening Star.	Steam launch.	26.29	172242	Severino Dayaban.	Manila.
Excelsior.	Lighter.	64.70	172075	J. E. Morton.	Do.
Express.	Steamer.	33.90	170331	Gregorio Yulu.	Hilo.
F.	Barge.	151.05	171805	Manila Navigation Co.	Manila.
F. Pleguezuelo.	Steamer.	460.42	170057	Compañia Maritima.	Do.
Fabianera.	Sail.	7.62	171117	Hilarion Fabanera.	Hilo.
Fairy.	do.	9.82	170842	A. F. Carrick.	Tacloban.
Faith.	do.	22.58	170552	Juana Mercado.	Cebu.
Falconete.	do.	25.12	170268	B. Falconete.	Do.
Famosa.	do.	5.23	172028	Seferino Barol.	Do.
Farola.	Lighter.	100.83	171594	Rocha & Co.	Manila.
Favorita.	Sail.	22.75	171165	Bruno Medesto.	Catbalogan.
Fé.	do.	49.46	170332	M. Lizarraga.	Hilo.
Fé.	Steam launch.	4.60	171250	Pilar Corrales.	Manila.
Fé.	Sail.	47.29	171724	Federico Jecson.	Hilo.
Fé.	do.	7.56	171949	Marcos Regalado.	Dumaguete.
Fé.	do.	25.74	171973	Joaquin de Aran.	Catbalogan.
Federico.	do.	25.25	171746	R. Diaz and other.	San Fernando.
Felices.	do.	12.27	171953	Felixberto Escario.	Cebu.
Feliciano.	do.	5.52	171706	Vicente de San Jose.	San Jose de Buenavista.
Felicidad.	do.	9.34	171676	Francisco Gaspel.	Cebu.
Felipa.	do.	52.36	170333	M. Lizarraga.	Hilo.
Felisa.	do.	7.02	171196	Urtis Babu.	Cebu.
Felisa.	do.	7.48	171021	Juan Bruit.	Remblon.
Feliza.	do.	6.07	171475	Francisco Arienda.	Legaspi.
Fernando.	Steamer.	21.46	170334	F. H. Callendian.	Hilo.
Fernis.	Sail.	8.16	170872	Luis Fernis.	Cebu.
Fidel.	do.	10.30	171472	Luis Tomas.	Legaspi.
Fidela.	do.	12.24	170851	Romualdo Palomino.	Tacloban.
Filipina.	do.	51.70	170335	Lorenzo Guevara.	Hilo.
Filipina.	do.	5.48	172141	Felipe Martinez.	Cebu.
Filipino.	Steamer.	84.81	170030	T. R. Yangco.	Manila.
Filipino.	Banca.	7.86	171169	Ignacio Ortis.	Catbalogan.
Filomena.	Sail.	18.80	171109	Leocadio Liboan.	Hilo.
Filomena.	Lighter.	78.33	171588	Rocha & Co.	Manila.
Fire-Fly.	Steam launch.	4.56	170652	Jose Morato.	Do.
Flecha.	do.	15.13	170666	Miguel Cabafat.	Do.
Floeripida.	Sail.	8.85	171382	José Morales.	Subic.
Flor.	do.	52.62	172268	Monico Lizarraga.	Hilo.
Flor de Agua.	do.	15.77	171050	Nicolas Arbotante.	Cebu.
Flor de Maria.	do.	6.48	171372	Juan Rosadas.	Subic.
Flor de Mayo.	do.	7.65	172188	Ireneo Cortes.	Batangas.
Flor del Mar.	do.	5.42	172653	Vicente Ah.	Legaspi.
Florence S.	do.	140.23	171641	C. A. Clark.	Manila.
Florencia.	Lighter.	55.63	170206	J. B. Tuazon.	Do.
Florencia.	Sail.	6.11	171110	Julian Corbera.	Hilo.
Florencia.	do.	6.88	172351	Ricardo Advincula.	Tacloban.
Flores de Maria.	do.	289.94	171655	Edilberto Calixto and others.	Manila.
Florida.	do.	28.36	171174	J. Cabildo and J. Llanes.	Do.
Fornis.	do.	5.53	172538	Pedro Fornis.	Cebu.
Fortuna.	do.	18.04	170408	Justo Fortuna.	Manila.
Fortuna.	Steam launch.	24.28	170756	Julita Lichatco.	Do.
Fortuna.	Sail.	12.81	171474	Sabas Aragon.	Legaspi.
Fortuna.	Casco.	23.43	171674	Pasig Stramer and Lighter Co.	Cebu.
Fortuna.	Sail.	8.68	172128	Segundo Trio.	Manila.
Frances.	do.	5.14	171762	John W. Gray.	Batangas.
Francesa.	Casco.	21.64	171560	Castor Concepcion.	Cebu.
Francisen.	Lighter.	92.31	171602	Rocha & Co.	Manila.
Francisca.	Sail.	10.46	171957	Eugenio Nini.	Cebu.
Francisca.	do.	11.67	172234	Rafael Taguis.	Cuyo.
Francisco.	Steamer.	87.45	171122	Hilo Steam Lighter Co.	Hilo.
Francisco.	Sail.	45.12	171660	Felipe Lopez.	Cebu.
Francisco.	do.	6.47	173045	Miguel Cabafat.	Aparri.
Francisco.	Banca.	10.67	172311	Compañia Tabacalera.	Cebu.
Francisco.	Sail.	7.92	172430	Francisco Filemon.	Do.
Francisco.	do.	6.61	172581	Ernesto de la Torre.	Cuyo.
Francisco Reyes.	Steamer.	522.97	173005	Compañia Maritima.	Manila.
Franz.	Sail.	378.62	172533	Monico Lizarraga.	Do.
Fritz.	Steamer.	30.75	170336	Gregorio Yulu.	Hilo.
Fubeyre.	Sail.	7.01	172305	Juan Fubeyre.	Dumaguete.
Fuzzle.	Steam launch.	12.70	172572	Zach Oppenheimer.	Manila.
Gabo.	Sail.	12.90	172146	Simon Gabo.	Cebu.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage	Official number.	Owner.	Home port.
Gabian	Sail	9.61	171423	Fernando Gabian	Cebu.
Gajet	do.	5.89	170855	Anastacio Gajet	Do.
Galante	do.	11.29	172069	Gregorio Geranado	Tacloban.
Galga	do.	38.55	170995	Manila Shipping and Transportation Co.	Hollo.
Gallares	do.	6.57	172575	Claudio Gallares	Cebu.
Gavilan	do.	15.16	172022	Remigio Salinana	Do.
Genara	do.	8.94	171206	Nicolas Hugo	Do.
General Blanco	Steamer	30.82	170337	Luzon Steamer and Sail Lighter Co.	Hollo.
Genoveva	Sail	40.69	170388	T. Rabadilla	Do.
Genoveva	do.	25.05	170557	Mariano N. José	Manila.
Genoveva	do.	8.38	172623	Marcelo Baviera	Hollo.
Gente	do.	6.03	172131	Martin Lopez	Legaspi.
Gerardo	do.	60.51	172601	B. Fernandez	Manila.
Germania	Steamer	88.68	170848	Pedro Martinez	Do.
Germanita	Sail	30.49	171066	Leocadia Ayala	Do.
Gibson	Steamer	62.36	171234	F. S. Bourne	Do.
Gicain	Sail	5.66	172081	Matias Gicain	Do.
Gil II.	do.	14.10	170456	Pastor Castillo	Catbalogan.
Gimena	do.	11.34	171358	Guillermo Aseo	Zambales.
Gloria	Lighter	121.26	170106	M. B. Asensi	Manila.
Gloria	Sail	5.93	170820	Geronima Oulcoque	Catbalogan.
Gloria	Steamer	137.93	170878	F. Legaspi	Manila.
Gloria	Sail	9.62	171016	Fernan Macanaya	Aparri.
Gloria	do.	11.84	171131	Severo Babo	Do.
Golondrina	Lighter	49.79	171574	Casimiro Oria	Manila.
Gominong	Sail	6.02	171191	Silverio Poster	Cebu.
Gonsaga	do.	8.96	171425	Teodorico Domagan	Do.
Gonzalez	Steamer	89.24	170703	Hollo Steamer and Lighter Co.	Hollo.
Graciana Salvacion	Sail	5.32	170996	Ambrosia Asedres	Do.
Graciosa	do.	7.30	172140	Pablo Hong	Cebu.
Gregoria	Steamer	68.56	170270	Compañia Naviera Mercantil Filipina	Do.
Gregoria	Sail	31.11	170378	Hollo Steamer and Lighter Co.	Hollo.
Gregoria	do.		170607	Pasig Steamer and Lighter Co.	Manila.
Guadalupe	do.	5.35	171436	Pio Loay	Cebu.
Guadalupe	Casco	52.34	171552	Maclead & Co.	Do.
Guianon	Sail	6.53	172510	Pedro Inquito	Do.
Gulle	do.	5.80	172337	Lorenzo Gulle	Do.
Gusman	do.	14.43	172589	Francisco Guzman	Do.
Gutierrez	do.	5.16	172484	Lorenzo Gutierrez	Do.
Hada	do.	4.25	170704	Hollo Steamer and Lighter Co.	Hollo.
Helen	Steam launch	16.60	172007	Rocha & Co.	Manila.
Helena	Sail	49.23	171850	Eclipse Lighter Co.	Hollo.
Henry	Steam launch	11.85	171173	Henry Brodek	Manila.
Hercules	Sail	12.16	170669	Esteban Ahumada	Do.
Hermanitos	do.	96.75	170563	Jaime Vallo	Cebu.
Hermanos	Steamer	113.47	170564	Tomas Osmeña	Do.
Hermogenes	Sail	16.83	172333	Saturmino Quino	Do.
Hermosa	Casco	39.39	172332	Castor Concepcion	Do.
Herrera	Steamer	88.17	170238	Narcizo Fornolles	Do.
Hibatán	Sail	11.76	170848	José Llobregat	Tacloban.
Hidalga	do.	35.31	170705	Manila Shipping and Transportation Co.	Hollo.
Hilario	do.	11.30	170547	Filomeno del Mar	Cebu.
Hilario	do.	7.68	172377	Faustino Magbanaa	San José de Buenavista.
Holdfast	Steamer	28.92	170339	Maetan Shipping Co.	Hollo.
Hontanosas	Sail	6.41	172164	Felipe Hontanosa	Cebu.
Horatio	Lighter	141.83	170010	Pasig Steamer and Lighter Co.	Manila.
Hortencia	Sail	35.11	170381	E. de la Rama	Hollo.
Hospicia	do.	10.62	170273	Severino Aborques	Cebu.
Hospicia	do.	45.36	170706	Julio Jovellana	Hollo.
Ilyalasan	do.	5.00	172183	Prudencio Dumagon	Dumaguete.
Ibabao	do.	11.98	171819	Gregorio Perez	Cebu.
Ibrada	do.	5.94	171715	Perfecto Ibrado	Hollo.
Iceta	do.	10.92	172624	Dimetrio Iceta	Do.
Icon	do.	58.82	171004	A. Asensi	Do.
Idelfonso	do.	14.36	172186	Francisco Jaca	Batangas.
Ilocos	Steamer	85.24	170087	M. B. Asensi	Manila.
Iloilo	Lighter	95.00	170174	do.	Do.
Ilonga	Sail	31.94	170449	Manila Shipping and Transportation Co.	Catbalogan.
Imoy	do.	16.41	171049	Maximo Quijano	Cebu.
Impa	do.	10.74	172642	Tomas Impa	Tacloban.
Indayna	do.	6.59	172135	Felix Caballero	Cebu.
India	Lighter	49.03	170213	Manuel Gaspar	Manila.
India	Casco	30.17	170252	Smith, Bell & Co.	Cebu.
India	Sail	98.49	170634	Felipe Lopez	Manila.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Infante.....	Sail.....	10.00	171999	José Millora.....	Subic.
Inglaterra.....	Casco.....	28.94	170009	C. A. Fulcher.....	Cebu.
Ingles.....	Sail.....	74.41	170821	A. F. Carrick.....	Catbalogan.
Invincible.....	do.....	10.21	171037	Vicente Jimenez.....	Subic.
Irene.....	Steam launch.....	8.25	170802	Manila Shipping and Transportation Co.	Manila.
Irene.....	Lighter.....	82.30	172063	D. H. Ward.....	Do.
Irene Urbina.....	Steamer.....	64.71	170243	Nicolas Arhortante.....	Cebu.
Irianda.....	Casco.....	16.51	172153	C. A. Fulcher.....	Do.
Irina.....	Sail.....	17.05	172527	Miguel Calafat.....	Aparri.
Iroquois.....	do.....	49.58	170382	L. G. Seligman.....	Hoilo.
Iru.....	Casco.....	14.94	171211	Sandallio Quiniana.....	Cebu.
Iruirita.....	Sail.....	37.81	170340	Gregorio Yulo.....	Hoilo.
Isabel.....	Steam launch.....	10.67	170333	M. B. Asensi.....	Manila.
Isabel.....	Steamer.....	45.51	170341	M. Lizarraga.....	Hoilo.
Isabel.....	Steam launch.....	17.31	170729	Gregorio Ortuoste.....	Manila.
Isabel I.....	Steamer.....	185.41	172536	Luis R. Yangco.....	Do.
Isabela.....	Lighter.....	81.40	170173	M. B. Asensi.....	Do.
Isabela.....	Steamer.....	125.80	170242	Eleuteria Veloso.....	Cebu.
Isabela.....	Sail.....	32.90	170342	Bernardo Alamaida.....	Hoilo.
Isidrito.....	Steam launch.....	12.75	171716	Hijos de I. de la Rama.....	Do.
Isla de Mindanao.....	Sail.....	33.40	170343	Pedro Juarez.....	Do.
Isla de Negros.....	Lighter.....	70.28	170416	José Pozas.....	Manila.
Isla de Negros.....	Steamer.....	158.56	170833	Monico Lizarraga.....	Do.
Isla de Negros.....	Sail.....	8.16	172026	Apromiano José.....	Cebu.
J.....	Barge.....	166.50	171807	Manila Navigation Co.....	Manila.
J. G. Nena.....	Sail.....	27.16	171908	José Gallores.....	Cebu.
J. Rodriguez.....	Steamer.....	388.42	170586	Juan Rodriguez.....	Manila.
Jacinta C.....	Sail.....	8.23	171671	Severino Cuyuo.....	Cebu.
Jagna.....	Casco.....	5.20	170256	Nicolas Arhortante.....	Do.
Jaime Vaño.....	Steamer.....	68.92	170262	Jaime Baño.....	Do.
James J.....	Banca.....	19.32	170278	J. M. Switzer & Co.....	Do.
Jamilo.....	Lighter.....	81.04	170694	B. D. Fernandez.....	Manila.
Jaimora.....	Sail.....	5.31	171675	Zacarias Alo.....	Cebu.
Jazmin.....	do.....	34.04	171182	Mariano Castillo.....	Manila.
Jesus.....	do.....	6.41	170550	Francisco Sales.....	Cebu.
Jesus Nazareno.....	do.....	51.01	171635	Ladislao Donato.....	San Fernando.
Jesusa.....	Lighter.....	164.71	170124	José Liobregat.....	Cebu.
Jimilian.....	Sail.....	10.40	171822	Julio Mosqueda.....	Do.
Jose Roque.....	do.....	78.63	171917	M. N. Jos.....	San Fernando.
Josefa Maria.....	do.....	6.87	172564	Carpio Bonales.....	Tacloban.
Josefina.....	Steamer.....	23.81	170314	M. B. Asensi.....	Hoilo.
Josefina.....	Sail.....	7.18	171717	Feliciano Torre.....	Do.
Jovita.....	do.....	9.87	171223	Alejandro Oberes.....	San José de Buenavista.
Juana.....	Lighter.....	51.76	171500	Rocha & Co.....	Manila.
Juanita.....	Sail.....	87.17	171351	F. Angco.....	Do.
Juanita.....	do.....	14.33	171927	H. Llanes and others.....	Do.
Juanita.....	do.....	7.39	172375	Clara Aquino.....	Aparri.
Joaquina.....	do.....	7.50	170263	Filomena Omolon.....	Cebu.
Juarez.....	do.....	8.56	171669	Vicente Juarez.....	Do.
Jugo.....	do.....	12.07	170803	Pedro Hugo.....	Do.
Julia.....	do.....	42.11	170707	Hoilo Steamer and Lighter Co.....	Hoilo.
Julian.....	Lighter.....	46.00	170177	M. B. Asensi.....	Manila.
Juliana.....	Sail.....	24.40	170389	Ignacio Arraya.....	Hoilo.
Jumbo.....	do.....	12.67	171441	Leon Catalbas.....	Do.
Jumenta.....	do.....	20.62	172369	Juan Arcala.....	San Fernando.
June.....	Lighter.....	137.19	172124	F. E. Braman and others.....	Manila.
Juno.....	Steamer.....	483.00	170427	Manila Shipping and Transportation Co.	Do.
Jupiter.....	Lighter.....	68.51	172302	Enrique Rocha.....	Do.
Justicia.....	Sail.....	81.08	170881	Catalino Morrillo.....	Cebu.
Kabalayan.....	do.....	9.48	171007	Deogracias Leyco.....	Batangas.
Kaibigan.....	Steamer.....	190.33	170627	T. R. Yangco.....	Manila.
Kalibño.....	do.....	221.92	171962	Clemente Concepcion.....	Do.
Kamandag.....	Sail.....	5.74	170824	A. F. Carrick.....	Catbalogan.
Kamkai.....	Steam launch.....	19.16	172117	Manila Shipping and Transportation Co.	Manila.
Kathleen.....	do.....	33.98	170784	Manila Tug and Lighter Co.....	Do.
La Amistad.....	Sail.....	11.90	170693	Donato Reyes.....	Batangas.
Labangon.....	Casco.....	40.58	171553	MacLeod & Co.....	Cebu.
La Bella Paz.....	Sail.....	18.61	171294	Julian Villanueva.....	Manila.
La Belleza.....	do.....	12.38	171039	Angel Aliala.....	Subic.
La Coronacion.....	do.....	42.17	171631	Gerarda Agayan.....	San Fernando.
La Fé.....	do.....	6.02	172485	Zeferino Latorre.....	Cebu.
Laguna.....	do.....	5.00	171053	C. Lagura.....	Do.
La Juventud.....	do.....	8.70	170272	Saturnino Tuyco.....	Do.
Laloc.....	Steamer.....	184.91	170144	Luis Perez.....	Manila.
La Marceiza.....	Sail.....	7.05	170869	Severino Villahermosa.....	Cebu.
La Merced.....	do.....	9.77	171059	Clemente Lepiten.....	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Ladamante.	Sail	20.84	171912	Cipriano Lagura	Cebu.
Landelino.	do.	10.93	171194	Villarisia	Do.
La Paz.	do.	23.58	170758	Mariano N. José	Manila.
La Paz.	do.	6.55	170997	Miguel Barajan	Iloilo.
La Paz.	do.	14.30	171727	Santiago de Castro	Manila.
La Paz.	do.	7.28	171906	Agapito Botones	Dumaguete.
La Paz.	do.	5.61	172454	Evaristo Zulueta	Iloilo.
La Perla.	do.	11.74	170988	James J. Borell	Do.
La Purissima Concepcion.	do.	43.82	170734	Gregorio Quitoriano	Manila.
La Purissima Concepcion.	do.	9.65	171887	Sinforoso Corpus	Aparri.
La Purissima Concepcion.	do.	106.84	172410	Serapia Sact	Manila.
Larena.	do.	6.70	171905	Juan Tumala	Dumaguete.
La Rosa.	Steamer.	63.15	170024	Compañia Naviera Mercantil Filipina.	Manila.
Lau.	Sail	24.46	170601	Edmundo de Aenlle	Do.
Lau.	Casco.	14.69	171210	Sandallo Oquiniiana	Cebu.
Lautifia.	Sail	5.54	171484	Maximo Lautifina	Legaspi.
Laura.	do.	36.75	172326	Miguel Calafat	Aparri.
Laurac Bat.	Lighter.	67.09	170183	M. B. Asensi	Manila.
Laureto.	Sail	13.63	172537	Santiago Laureto	Cebu.
Leal.	do.	11.74	171962	Timoteo Jubac	Do.
Leal.	do.	23.41	171926	Jesusa Barrios	Iloilo.
Legaspi.	Lighter.	156.74	170152	Il. Baranenga	Manila.
Legaspi.	Steamer.	563.20	170924	Antonio de Iribar	Do.
Legaspi.	Sail	15.96	171538	Miguel Calafat	Aparri.
Legua.	do.	5.06	172083	Sebastian Gaviola	Cebu.
Lelia.	do.	13.59	171027	Victor Ruiz	Surigao.
Leonita.	do.	5.30	172109	Francisca Tolentino	Manila.
Leonor.	Lighter.	82.51	170162	Matias Sanchez	Do.
Leonor.	Sail	70.17	170189	Macario Fabila	Do.
Leonor.	do.	188.13	172127	W. S. Wilson	Do.
Lequeitio.	do.	6.73	172641	G. Aboltiz	Tacloban.
Levy.	Banca	12.48	171557	Pantaleon Lagura	Cebu.
Leyte.	Steam launch.	21.97	170046	Basilio Gloria	Manila.
Leyte.	Sail	20.62	170239	M. Lizarraga	Cebu.
Leyteño.	Casco.	24.48	172025	Jose Lobregat	Tacloban.
Libertad.	Banca	6.73	170827	Juan Rodriguez	Cathalogan.
Libertad.	do.	6.09	171170	Ignacio Ortiz	Do.
Libertad.	Sail	10.90	171369	Francisca Naviloso	Subic.
Libertad.	do.	12.14	172480	Claudio Gallares	Cebu.
Libertad.	do.	14.32	172516	Constancia Tria	Manila.
Libertas.	do.	6.88	170962	Nicolas Nava	Do.
Libranos.	do.	8.20	171955	Zacarias Congcong	Cebu.
Lighter 1.	Lighter.	124.81	170130	M. B. Asensi	Manila.
Lighter 2.	do.	124.51	170131	do.	Do.
Lighter 3.	do.	128.42	170132	do.	Do.
Lighter 6.	do.	126.40	170134	do.	Do.
Lighter 4.	do.	125.95	170135	do.	Do.
Lighter 7.	do.	135.87	170136	do.	Do.
Lighter 5.	do.	125.83	170140	do.	Do.
Lighter 1.	do.	117.12	170221	Michael & Gaspar	Do.
Lighter 9.	Barge.	163.00	170724	Philippine Transportation and Construction Co.	Do.
Lighter 15.	Lighter.	169.75	172578	do.	Do.
Lighter 5.	do.	130.87	172614	do.	Do.
Lighter 1.	do.	130.87	172615	do.	Do.
Ligero.	Sail	6.24	170867	Martin Villacarte	Cebu.
Lila.	do.	19.90	170345	Pedro Vazquez	Iloilo
Lily.	do.	39.66	170346	Luzon Steamer and Sail Lighter Co.	Do.
Lily.	do.	185.55	170914	Iturri & Lachiondo	Manila.
Lira.	do.	6.51	171903	Honorio Brabo	Tacloban.
Lizarraga.	Casco.	56.83	171672	Rufino Lorenzo	Cebu.
Lizzie.	Sail	16.91	172559	Henry M. Jones	Manila.
Loaynon.	do.	7.71	171954	Ambrosio Alinog	Cebu.
Lobregat.	do.	10.90	170847	Jose Lobregat	Tacloban.
Lola.	Lighter.	39.60	170212	Manuel Gaspar	Manila
Lola.	Sail	6.34	172637	Juan Camillas	Aparri.
Lolita.	Lighter.	98.25	170166	Mateas Sanchez	Manila.
Lorena.	Casco.	60.83	172625	J. J. Boree	Iloilo.
Loreta.	Sail	8.22	171668	Eugenio Mine	Cebu.
Lotus.	Steam launch.	18.35	171883	Pacific Steamer and Lighter Co.	Manila.
Lo Luca.	Sail	57.11	171123	Luciano Aguirre	Iloilo.
Los de Lara.	do.	9.01	172211	Ciriaco de Lara	Cebu.
Los Hermanos.	do.	47.32	172248	Antonio Diaz and others	San Fernando.
Los Hermanos.	do.	6.58	172505	Martino Torreda	San Jose de Buenavista.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Lorenza	Lighter	78.77	171265	Rafael Calbo	Manila.
Loro	Sail	10.72	170676	G. Villalor	Do.
Loures	do	10.40	172626	José Bargas	Hilo.
Lucas	Steam launch	41.41	171229	Cecilio Tremoya	Manila.
Lucban	Sail	12.50	171755	Dimetrio Salvacion	Batangas.
Lucena	Casco	29.20	172904	Florencio Reyes	Do.
Lucero	Sail	6.41	171825	Maximo Lucero	Cebu.
Lucero	do	7.56	171896	Juan Garcia	Aparri.
Lucero	do	8.04	172413	Sinforoso Alorido	Cuyo.
Lucia	do	172.65	171582	Frank S. Bourne	Manila.
Lucia	do	8.37	172416	Tomas Sabella	Legaspi.
Lucio	do	7.87	171547	Lucio Saligumba	Cebu.
Luisa	do	55.47	171558	Nicolas Arbotante	Do.
Luisa	do	6.03	172091	Cornelio Roa	Tacloban.
Luisito	Steam launch	23.18	170947	Luis Hidalgo	Manila.
Luisito	Sail	14.67	171820	Arlolfo Espina	Cebu.
Luna	do	9.33	171415	Gaspar Cadales	Do.
Luna	do	11.96	172579	Francisco Maut	Cuyo.
Lurdes	do	16.12	170257	Nicolas Arbotante	Cebu.
Lurdes	do	6.88	171689	Maura Obispo	Aparri.
Luz	Lighter	101.64	170123	M. B. Asensi	Manila.
Luz	do	67.42	170778	Manila Tugand Lighter Co.	Do.
Luz	Sail	9.05	171221	Francisco Cayapan	Cuyo.
Luz del Progreso	do	6.39	171442	Gregorio Somes	Hilo.
Luzon	Lighter	184.89	171321	Luzon Steamer and Sail Lighter Co.	Manila.
M. D. Monserrat	Sail	29.64	170186	Genaro Tanjoco	Do.
M. Yaptic	Steamer	88.81	170284	I. Tambunting	Cebu.
Mabait	do	54.27	171770	T. R. Yango	Manila.
Mabanyad	Boat	5.63	170587	Basilia Pañgillin	Do.
Mabini	Sail	9.48	172125	Santiago Genuino	Do.
Mable	Lighter	78.99	172800	T. H. Ward	Do.
Mablig	Sail	10.98	171680	Hosopio Camacho	Aparri.
Mabolo	Casco	30.26	171551	Macleod & Co.	Cebu.
Madge	Steam launch	15.21	171240	A. Mendieta and S. Adriano	Manila.
Maestra	Sail	5.16	171667	Alejandro Roaya	Cebu.
Maestro Campo	do	8.39	171226	G. Maestro Campo	San Jose de Buenavista.
Magallanes	Steamer	832.70	171154	Leopoldo Criado	Manila.
Maganiilla	Sail	6.78	171055	Zeferino Cubiu	Cebu.
Magapit	Steamer	60.79	170171	M. B. Asensi	Manila.
Magat	do	57.64	170172	do	Do.
Magdalena	Sail	16.30	170532	Rafael Gan	Do.
Magdalena	do	10.41	170972	Graciano José	Do.
Magdalena	do	5.54	171164	Tomas Ladlad	Batangas.
Magdalena	do	5.93	172296	Daniel Villarosa	Manila.
Maggie	Steam launch	8.07	172094	Geo. E. Wolf	Do.
Maksantoff	Sail	67.50	171711	John P. Gale	Do.
Malabon II	Lighter	170.16	170048	Benancio Balbas	Do.
Malasogin	Sail	7.00	172147	Uldarico Parrilla	Cebu.
Malate	Lighter	170.16	170050	Venancio Balbas	Manila.
Malayao	Sail	8.61	171126	Marcelo Malayao	Cebu.
Malecon	Lighter	90.60	171589	Rocha & Co.	Manila.
Matibay	do	170.16	170039	Venancio Balbas	Do.
Maliesi	Steam launch	20.74	170025	T. R. Yango	Do.
Malinta	Lighter	170.16	170047	Vinancio Balbas	Do.
Malitbog	Steamer	23.45	170266	José Corominas	Cebu.
Malumo	do	10.75	171980	Juan Pico	Aparri.
Mambajao	do	5.12	171541	Catalino B. Murillo	Cebu.
Mananquil	do	6.23	170857	P. Mananquil	Do.
Manapla	do	5.53	171111	Mateo Franco	Hilo.
Manchega	do	39.79	170708	H. Candaleza	Do.
Mandarin	do	9.09	172021	Luis Con-nui	Cebu.
Manlane	Casco	25.70	171550	Macleod & Co.	Do.
Mangniloyon	Sail	6.99	172151	Rubio Signe	Do.
Mani	do	8.05	171532	José Lobregat	Do.
Manila	Steamer	83.21	170142	T. R. Yango	Manila.
Manila	Lighter	76.56	171395	Rocha & Co.	Do.
Manila	do	66.74	170121	M. B. Asensi	Do.
Manolito	do	184.68	170165	Barry Baldwin	Do.
Manolito	Sail	14.39	170834	Agustin Tabora	Aparri.
Manoling	Lighter	67.20	172442	Miguel Lloret	Manila.
Manolo	Casco	9.42	172117	Candido Almonte	Legaspi.
Manolo	do	16.72	172520	Angel Lagos	Batangas.
Manresa	Sail	81.42	170347	Pedro Vazquez	Hilo.
Manuel	do	106.40	171332	Antonio Magano	Manila.
Manzanias	do	28.00	172398	Vicente Manzanias	Cebu.
Marabuhahuit	do	12.15	171685	Hosopio Camacho	Aparri.
Maramba	do	10.86	170897	Tomas Maramba	Cebu.
Marcela	do	5.23	172227	Zeferino Flora	San Jose de Buenavista.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Marcela	Sail	8.33	172257	Teodorico Abane	Iloilo.
Marcela	do.	5.62	172363	Marcela Bonson	Manila.
Margarita	Lighter	138.21	170116	M. B. Asensi	Do.
Margarita	Sail	9.72	170835	Agustin Tabora	Aparri.
Maria	Steamer	42.63	170348	R. D. Piquer	Iloilo.
Maria	Sail	105.44	170396	C. L. Evangelista	Manila.
Maria	do.	27.63	170554	Jaime Vaño	Cebu.
Maria	do.	16.19	171116	Alipio Rogarit	Catbalogan.
Maria	do.	7.79	171862	Gregorio Mariano	Manila.
Maria	do.	61.59	171873	Leopoldo Criado	Do.
Maria Angeles	do.	18.07	171302	Pedro Quituriano	Do.
Maria Colonia	do.	54.27	171742	C. Querubin and B. Querubin	San Fernando.
Maria Concepcion	do.	6.06	171277	Rosa Hugo, administrator	Manila.
Maria Concepcion	do.	8.47	172024	José Gamo	Cebu.
Maria Concepcion	do.	5.91	172189	Apolinario Cordero	Batangas.
Maria Cristina	do.	23.94	170863	José Ramirez	Cebu.
Maria de la Paz	do.	24.73	171944	Pascual Meonada	Aparri.
Maria Dolores	do.	5.31	172519	Agapito Saturre	Surigao.
Maria Emperatriz	do.	5.05	171900	Agustina Salvador	Subic.
Maria Isabel	do.	24.65	171783	Florencio Corral	Manila.
Maria Luisa	Lighter	82.51	170161	Matias Sanchez	Do.
Maria Luisa	do.	46.00	170176	M. B. Asensi	Do.
Maria Magdalena	Sail	13.43	171185	Pedro Agadiel	Subic.
Maria Magdalena	do.	53.91	171291	Roman Angeles	Manila.
Maria Pilar	do.	80.91	171249	F. G. Santiago	Do.
Maria Santisima	do.	16.03	172331	Jacinto Villaresa	Do.
Maria Socorro	do.	10.00	171038	Remigio Abelido	Subic.
Maria Socorro	do.	7.10	172258	Demetrio Campantero	Iloilo.
Mariana	do.	30.69	170709	Iloilo Steamer and Lighter Co.	Do.
Mariano	do.	6.91	172181	Estevan Cordovas	San José de Buenavista.
Marina	do.	6.98	172482	Severino Ibañez	Cebu.
Mariposa	Steam launch	36.82	170150	Philippine Shipping Co.	Manila.
Mariposa	Sail	5.58	171911	Juan Rosco	Cebu.
Mariquita	do.	61.81	170349	M. B. Asensi	Iloilo.
Mariquita	Steam launch	36.73	170977	Galo Lichauco	Manila.
Maritima	Sail	5.14	171486	Aniceto Combo	Legaspi.
Marquez	do.	8.45	171753	Gregorio Marquez	Batangas.
Marte	Lighter	57.00	172126	E. Rocha	Manila.
Married	Sail	5.34	172118	Casimiro Higon	Cebu.
Martin	do.	10.43	172373	Felipa Binala	Aparri.
Mascot	Steamer	19.53	171099	Manuel Earnshaw	Manila.
Masinleg	Sail	21.18	171100	Pedro E. daño	Do.
Masurca	do.	15.49	171818	Galicano Peñño	Cebu.
Matalom	do.	13.80	172565	Fernin Espina	Tacloban.
Mater Servatoris	do.	6.80	172334	Estevan G. Fierro	Subic.
Matias	do.	6.46	171198	Matias Saqui	Cebu.
Matilda	Lighter	21.04	172528	Miguel Calafat	Aparri.
Matilde	Sail	431.91	170091	José Verches	Manila.
Matilde	do.	14.16	171009	Felipe Macuha	Batangas.
Matipid	Steamer		171230	F. S. Bourns	Manila.
Matulin	Steam launch	25.10	170031	T. R. Yangco	Do.
Mauban	Steamer	790.71	170013	M. B. Asensi	Do.
Mauban	Sail	5.75	172316	Florencio Alteta	Catbalogan.
Maximo	do.	15.44	170559	Maximo Nagua	Cebu.
May	Lighter	164.60	170400	H. J. Black and others	Manila.
May C.	Steam launch	8.98	171614	Gregorio Yulu	Iloilo.
May Flower	Sail	11.23	171896	William H. Merrit	Cuyo.
Mayo	do.	221.92	170188	Francisco Reyes	Manila.
Mayon	Steamer	61.10	170148	Philippine Shipping Co.	Do.
Media Luna	Sail	24.30	171853	Luis Torres	Iloilo.
Meiko-Marui	Steamer	123.68	171350	Pilar Corrales	Manila.
Merced	Sail	57.61	170293	A. Aniversario	Do.
Mercedes	Lighter	121.26	170119	M. B. Asensi	Do.
Mercedes	Sail	48.17	170350	A. Vasquez	Iloilo.
Mercedes	Lighter	67.14	170779	Manila Tug and Lighter Co.	Manila.
Mercedes	Sail	6.82	171200	Juan Quiot	Cebu.
Mermoquis	do.	48.34	171643	Pedro Martinez	Manila.
Mero	do.	6.60	172019	Apolonio Mero	Cebu.
Mestiza	Lighter	55.76	170438	Eclipse Lighter Co.	Manila.
Milagrosa	Sail	5.19	172082	Carmelo Barte	Cebu.
Miligoy	do.	5.15	170890	Pedro Manatad	Do.
Miligoy	Banca	5.95	171093	Alipio Rogarit	Tacloban.
Minas de Batan	Steamer	1,214.65	170754	Francisco Reyes	Manila.
Mindoro	Lighter	96.90	171323	Luzon Steamer and Sail and Lighter Co.	Do.
Minerva	Sail	494.00	170518	A. F. Carrick	Do.
Miñon	do.	8.98	172394	Apoloño Miñon	Cebu.
Mira	do.	6.46	170901	Isidoro Vasquez	Do.
Mito	do.	12.78	172176	Rafael Bavijs	Legaspi.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Modesto Melquiades.	Sail.	16.00	170868	Francisco Rosal.	Cebu.
Molecio.	Steamer	56.25	170383	E. de la Rama.	Hilo.
Monserat.	Steam launch.	8.02	170129	M. B. Asensi.	Manila.
Monserat.	Sail.	37.57	170710	H. Candalesa.	Hilo.
Montañez.	Steamer	222.50	170009	Leopoldo Criado.	Manila.
Montaño.	Sail.	16.62	171043	Montano Mallinao.	Cebu.
Monte Carmelo.	do.	9.70	171086	Maximino Aguiatan.	Subic.
Morados.	do.	6.99	171697	Eugenio Morados.	Dumaguete.
Morgia.	do.	6.14	172259	Luis Morgia.	Hilo.
Moro.	do.	13.44	170416	Alipio Rogarit.	Tacloban.
Mosca.	do.	44.32	171854	José Eñeta.	Hilo.
Muelle.	Lighter.	81.91	171592	Rocha & Co.	Manila.
Mundaca.	Steamer	126.10	170549	L. Criado.	Cebu.
Mundo.	Lighter	129.05	170042	Pasig Steamer and Lighter Co.	Manila.
Muñoz.	Sail.	5.19	171695	Justo Porfño.	Legaspi.
Mutian.	do.	6.49	171365	Domingo Mutia.	Tacloban.
Muvi.	do.	13.02	170521	Apolinario Bravo.	Aparri.
N.	Barge.	50.03	171838	Manila Navigation Co.	Manila.
N. S. de Antipolo.	Sail.	36.39	170762	Joséa Vllria.	Do.
N. S. de Antipolo.	do.	16.80	171270	E. Briones and other.	Do.
N. S. de Antipolo.	do.	5.72	171378	Hermogenes Aragoza.	Subic.
N. S. de Begona.	Steamer	223.42	170574	Angel Ordoñez.	Manila.
N. S. de Belen.	Sail.	12.75	171140	Aniceto Abdon.	Subic.
N. S. de Concepcion y Dos Hermanos.	do.	9.82	171008	Silvino Magpantay.	Batangas.
N. S. de Dolores.	do.	8.39	171076	Florentino Angala.	Subic.
N. S. de Esperanza.	do.	33.72	170598	Ciriaco Acibido.	Manila.
N. S. de Guadalupe.	do.	5.24	171388	Marces Vermejo.	Aparri.
N. S. de Guadalupe.	do.	27.00	171633	U. Geppert and B. Guitevis.	San Fernando.
N. S. de Loreto.	do.	12.00	171082	Jacinto L. Concepcion.	Subic.
N. S. de Lourdes.	do.	11.91	172203	Fernando Nicolas.	Aparri.
N. S. de Lourdes.	do.	9.12	172205	Dalmacio Navarro.	Do.
N. S. de Manaog.	do.	6.96	171370	Lucino Fernandez.	Subic.
N. S. de Manaog.	do.	5.76	171386	Mateo Pesca.	Aparri.
N. S. de Monserat.	do.	40.68	171626	Benita Encarnacion.	San Fernando.
N. S. de Salvacion.	do.	19.66	171282	Ramon Castañeda.	Manila.
N. S. de Salvacion.	do.	14.60	171971	Luciano R. Rodriguez.	Do.
N. S. de Socorro.	do.	9.35	172627	Vicente Villanueva.	Hilo.
N. S. de Soledad.	do.	15.33	170644	Levy A. Wood.	Manila.
N. S. de la Esperanza.	do.	15.88	170673	Rafael Avila.	Do.
N. S. de la Esperanza.	do.	58.65	171286	Alejandro Arisala.	Do.
N. S. de la Paz.	do.	9.97	170522	Sinforoso Corpus.	Aparri.
N. S. de la Paz.	do.	5.48	171012	Cecilia Ardañe.	Do.
N. S. de la Paz.	do.	6.21	171080	Jose Arena.	Subic.
N. S. de la Paz.	do.	25.48	171450	Justo Canaari.	Hilo.
N. S. de la Paz.	do.	15.34	172032	Mateo Mercado.	Cebu.
N. S. de la Paz.	do.	23.45	172129	Gregorio Beltran.	Manila.
N. S. de la Paz.	do.	6.82	172319	Feliciano Rosete.	Subic.
N. S. de la Paz y Buen Viaje.	do.	12.80	170658	Severino Aragozes.	Manila.
N. S. de la Paz y Buen Viaje.	do.	10.76	171135	Vicente Aninag.	Aparri.
N. S. de la Paz y Buen Viaje.	do.	8.19	171940	Juan Ramos.	Do.
N. S. de la Regla.	do.	12.83	170870	Mateo Mercado.	Cebu.
N. S. de las Mercedes.	do.	7.48	171920	Romualdo Castro.	Aparri.
N. S. del Carmen.	do.	76.32	170711	E. Villanueva.	Hilo.
N. S. del Carmen.	do.	6.47	171890	Benedicto Tumara.	Aparri.
N. S. del Carmen.	do.	8.11	172011	Maximo Atin.	Do.
N. S. del Carmen.	Steamer	189.00	172196	Compañia Maritima.	Manila.
N. S. del Pilar.	Sail.	7.18	172040	Perpetua Poronda.	Aparri.
N. S. del Pilar.	do.	10.94	172050	Florentino Evallar.	Subic.
N. S. del Remedio.	do.	11.49	171133	Francisco Castro.	Aparri.
N. S. del Remedio.	do.	47.46	171239	Eulogio Andrada.	Manila.
N. S. del Remedio.	do.	5.27	171410	Juana Duldulao.	Aparri.
N. S. del Remedio.	do.	19.85	171575	Casimiro Orta.	Manila.
N. S. del Remedio.	do.	5.22	171693	Domingo Cristobal.	Aparri.
N. S. del Remedio.	do.	5.65	171752	Anacleto de Villena.	Batangas.
N. S. del Remedio.	do.	22.86	171763	Prudencio Martinez.	Do.
N. S. del Rosario.	do.	12.86	170225	Eugenio del Piero.	Manila.
N. S. del Rosario.	do.	5.13	170853	Pablo Abadilla.	Do.
N. S. del Rosario.	do.	6.67	170665	Cipriano Rio.	Do.
N. S. del Rosario.	Steamer	408.00	170817	Compañia Maritima.	Do.
N. S. del Rosario.	Sail.	9.72	171396	Estanislao Atrevido.	Aparri.
N. S. del Rosario.	do.	50.90	171451	Juan Azarraga.	Hilo.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
N. S. del Rosario.	Sail	216.17	171453	Ramon Lagdameo	Manila.
N. S. del Rosario.	do.	11.06	171728	Marcial Estrella	Do.
N. S. del Rosario.	do.	73.70	171744	L. Quitevis M. Llanes	San Fernando.
N. S. del Rosario.	do.	6.07	172487	Bonifacio Odolfo	Aparri.
N. S. del Rosario.	do.	14.58	172525	N. Fabre and C. Fontelera	Subic.
N. S. del Rosario.	do.	5.94	172652	Narciso Vicuna	Aparri.
N. S. de los Navegantes.	do.	76.01	170735	Benita Encarnacion	Manila.
N. S. de los Remedios.	do.	21.63	171284	Artemia Resurreccion	Do.
N. S. de los Remedios.	do.	6.28	171902	Lucio Navarrete	Subic.
N. S. de los Remedios.	do.	6.38	172260	Nemesio Fuentes	Iloilo.
N. Talisay	Lighter	55.25	170250	Lizarraga	Cebu.
Naciente	Sail	9.54	171419	Bernardo Tabanera	Do.
Nagtaha	Lighter	78.40	170431	Eclipse Lighter Co.	Manila.
Najera	do.	72.82	170445	José Posas	Do.
Nahugas	Sail	7.20	171754	Demetrio Salvacion	Batangas.
Napatal	do.	5.09	172049	Angel Napatal	San Jose de Buenavista.
Napisa	do.	5.20	170903	Ramon Borgoña	Cebu.
Napitan	do.	5.64	172499	Ignacio Austero	San Jose de Buenavista.
Nasingpet	do.	6.32	172071	Victorio P. Reyes	Subic.
Nasugbu	Lighter	84.04	170095	V. D. Fernandez	Manila.
Natividad	do.	69.37	170804	Manila Shipping and Transportation Co.	Do.
Naval	Sail	7.11	171988	Simon Villaluz	Do.
Navarra	do.	65.34	171124	Pasig Steamer and Lighter Co.	Iloilo.
Nazareno.	Steamer	71.11	172074	Vicente Reyes	Manila.
Negrira	Sail	51.36	170351	Manuel Guazo	Iloilo.
Negros	Lighter	93.62	171322	Luzon Steamer, Sail, and Lighter Co.	Manila.
Neil Macleod	Steamer	644.21	170056	Compañia Maritima	Do.
Nena	Lighter	95.71	170783	Manila Tug and Lighter Co.	Do.
Nena	Sail	51.02	171002	A. Asencio	Iloilo.
Neptuno	do.	9.18	171155	Daniel Ecleo	Legaspi.
Nicasia	do.	8.40	171089	Mariano Huerta	Subic.
Niectas	Lighter	45.04	170215	Manuel Gaspar	Manila.
Nieves	do.	100.58	170105	M. B. Asensi	Do.
Nieves	Sail	15.92	172037	Hilario Gandongco	Cebu.
Niña	Lighter	67.10	170441	Eclipse Lighter Co.	Manila.
Niño Jesus	Sail	8.38	171376	José Nomel	Subic.
Nisnisan	do.	5.04	171673	Rafael Nisnisan	Cebu.
Norberto	do.	6.55	170892	Norberto Recelosa	Do.
Norte	do.	19.10	170683	Miguel Calafat	Manila.
Nostrates	do.	17.42	171931	Melecio Nostrates	Do.
Now Then	do.	6.08	171481	Pablo Barrios	Legaspi.
Nueva Caceres	do.	33.99	170712	Andres Gonzalez	Iloilo.
Nueva Concepcion	do.	24.30	171966	Faustina Leuterio	Manila.
Nueva Francisca	do.	24.68	171725	R. Jacon	Iloilo.
Nueva Luna	do.	62.37	170352	T. Rabadilla	Do.
Nueva Rosario	do.	94.60	171356	Lorenzo del Rosario	Manila.
Nuñes	do.	8.18	172048	Eusebio Tinullar	San Jose de Buenavista.
Obando	Lighter	76.05	171604	Rocha & Co.	Manila.
Occado	Sail	5.06	172476	Sebastian Occado	Cebu.
Olis	do.	14.78	172291	Basilia Olis	Dumaguete.
Olize	do.	49.46	170453	M. Lizarraga	Iloilo.
Oliver	do.	5.38	171405	Escollastico Lubo	Aparri.
Oñativia	do.	22.50	170656	Esteban Romillo	Manila.
Onofre	do.	35.04	172370	C. Oliva and R. Oliva	San Fernando.
Orani	Steam launch.	18.96	170061	T. R. Yanco	Manila.
Oregon	Steamer	88.97	170145	Pilar Corrales	Do.
Orlana	Lighter	41.24	172605	Joaquin G. Lopez	Batangas.
Oriente	Sail	97.37	171658	Monico Lizarraga	Manila.
Oriente	do.	5.11	172555	Eugenio Ramirez	Dumaguete.
P.	Banca	5.49	171026	Alipio Ragarit	Tacloban.
P. de Esquizabal	Sail	11.52	171975	Joaquin de Araro	Catbalogan.
Pabatao	do.	7.16	172205	Sergio Pabatao	Cebu.
Pablo	do.	5.47	171201	Serapio Becaron	Do.
Paciencia	Lighter	63.57	170102	Pasig Steamer and Lighter Co.	Manila.
Paciencia	Sail	13.32	170888	Ramon Velez	Cebu.
Paciencia	do.	5.76	171141	Feliciano Aguinatan	Subic.
Pacita	Lighter	209.18	170222	Michael & Gaspar	Manila.
Pacita	Sail	11.53	171623	Alfredo Chango	Rombion.
Pacita	do.	10.44	171756	Gregorio Marquez	Batangas.
Pacita	do.	5.18	172217	Faustino Luna	Cebu.
Padre Capitan	Steam launch.	31.96	170122	M. B. Asensi	Manila.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Padua	Sail	16.78	171563	Ignacio Apduhan	Cebu.
Pagente	do	5.53	171907	Simplicio Pagente	Dumaguete.
Pagsanjan	Steam launch	48.72	172436	Manila Navigation Co.	Manila.
Paisana	Sail	36.29	170454	Manuel Guiso	Hilo.
Pajarita	do	6.32	171958	Jorge Pagod	Cebu.
Pajaro	do	12.38	172869	Alejandro Posta	Do.
Pajuleras	do	9.30	171821	Ignacio Pajuleras	Do.
Paloma	do	47.19	171637	M. Anes, P. Querubin, M. Martinez	San Fernando.
Pamping	do	9.40	172574	Cirineo Boligan	Cebu.
Pamplona	do	238.02	170536	E. Calisto	Manila.
Panang	do	5.53	172481	Pedro Auing	Cebu.
Panalaron	do	50.71	170891	Jaime Vafio	Do.
Panay	Lighter	144.51	171324	Luzon Steamer and Sail Lighter Co.	Manila.
Pandora	Steam launch	8.56	170150	Jaime Vafio	Catbalogan.
Paquita	Lighter	121.26	170110	M. B. Asensi	Manila.
Paquita	do	53.44	170355	B. Alameda	Hilo.
Paquita	Sail	51.75	170823	A. F. Currick	Catbalogan.
Paragua	Lighter	52.84	172133	J. N. Royce	Manila.
Paragug	Sail	10.98	171683	Ospicio Camacho	Aparri.
Parama	do	7.68	171057	Macario Parama	Cebu.
Parasan	do	28.06	170454	G. N. Lamb	Catbalogan.
Pasig	Steam launch	38.50	170726	Gregorio Ortuoste	Manila.
Pasig	Lighter	82.51	171591	Rocha & Co.	Do.
Pasig	Sail	17.47	172161	Ignacio Apduha	Cebu.
Pasquin	Casco	6.80	170230	C. B. Murillo	Do.
Pastoreita	Sail	8.89	170887	Ruperto Solo	Do.
Pastrano	Casco	44.84	172087	Nicolas Arbortante	Do.
Patagayan	Sail	5.55	172467	Ambrosio Ugapung	Tacloban.
Patria	Steam launch	19.90	170973	Faustino Lichanco	Manila.
Patriaera San José	Sail	74.20	171285	Buenaventura Albarade	Do.
Pauican	do	11.16	170541	A. F. Currick	Catbalogan.
Paula	Steam launch	8.50	170629	Manuel Lloret	Manila.
Pawl	Sail	8.01	170271	Murelino Perez	Cebu.
Paz	Lighter	86.38	171506	Rocha & Co.	Manila.
Pearl	Sail	6.10	170911	Marciana Galvez	Cebu.
Pearl	do	15.54	171447	F. W. Towle	Manila.
Pedrito	do	5.04	171477	Ventura Orofio	Legaspi.
Pedro	Barge	5.36	171281	Antonio David	Manila.
Pegasus	Sail	7.09	171483	Archie H. Gunn	Legaspi.
Penalape	Steam launch	12.00	170248	Manila Shipping and Transportation Co.	Cebu.
Pepay	Lighter	49.52	170214	Manuel Gaspar	Manila.
Pepe	Steam launch	16.42	170104	Baldomero Fernandez	Do.
Pepe	Sail	8.12	172476	Macaria Zarate	Aparri.
Pepin	Lighter	97.82	170163	Martin Sanchez	Manila.
Pepin	Sail	6.12	172306	Modesto Narro	Cebu.
Pepita	do	150.52	170167	F. M. Bayot	Hilo.
Pepita	Lighter	105.45	170439	Eclipse Lighter Co.	Manila.
Pepito	Sail	5.94	171244	Serapio Hagan	Do.
Pepito	Banca	10.23	172310	Compañia Tabacalera	Cebu.
Peregrino Cuxa- merte	Sail	16.12	171745	Elo Baterino	San Fernando
Perla	do	23.32	170957	M. N. José	Manila.
Perla del Oceano	do		170101	Pasig Steamer and Lighter Co.	Hilo.
Perling	do	10.02	171439	Zeferino Agojob	Cebu.
Perpetuo	do	5.69	171828	Cayetano Bracamonte	Tacloban.
Pescetas	do	40.69	170890	José A. Tinas	Hilo.
Petaca	do	8.60	172209	Tomás Sagural	Cebu.
Phil	Steam launch	8.95	171846	W. E. Sherman	Manila.
Pilar	Lighter	78.05	170151	Philippine Shipping Co.	Do.
Pilar	do	56.00	170718	Emiterio Serrano	Do.
Pilar	Steam launch	23.97	171212	Pilar Corrales	Do.
Pilar	Sail	5.00	172237	Manuel Jabon	Cuyo.
Pilarica	do	58.81	172461	Luciano Aguirre	Hilo.
Pilarita	do	6.44	171042	Rufino Tampus	Cebu.
Pineda	do	12.00	170894	Ceferino Rodriguez	Do.
Pines	do	8.05	170877	Vivencio Pines	Do.
Pioneer	Lighter	68.43	170806	Manila Shipping and Transportation Co.	Manila.
Pioneer	Steamer	51.54	171876	José Franco	Do.
Plocfinia	Sail	40.23	171279	Candido y Potenciano Oliva	Do.
Pocohontas	do	5.29	172470	Pantaleon Cabrera	Legaspi.
Poderosa	do	9.21	172002	Luis Zaragoza	Tacloban.
Polce	Steam launch	18.81	171264	Pilar Corrales	Manila.
Polka	Sail	8.79	171677	Rufino Viña	Cebu.
Pontoisia	Lighter	74.72	170138	M. B. Acensi	Manila.
Portes	Sail	41.70	171972	Joaquin de Arano	Catbalogan.
Porvenir	do	10.06	170544	Flav. Buenaventura	Aparri.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Precursor.....	Steam launch.	9.78	171777	Frank Wilson.....	Manila.
Primera.....	Lighter	66.29	170490	Angel José.....	Do.
Primitiva.....	Sail	9.22	171112	Fructoso Torresa.....	Iloilo.
Primitiva.....	do.	5.14	171700	Crisanto Villero.....	Tacloban.
Primitivo.....	do.	6.06	171197	Sabas Daan.....	Cebu.
Progress.....	Lighter	68.05	170805	Manila Shipping and Transportation Co.	Manila.
Pronto.....	Barca	16.64	170261	J. M. Switzer.....	Cebu.
Proprio.....	Sail	6.78	172317	Regino Sampilo.....	Cathalogan.
Prospect.....	Lighter	68.43	170803	Manila Shipping and Transportation Co.	Manila.
Prudencia.....	Sail	83.47	170239	Nicolas Arbortante.....	Cebu.
Prueba.....	do.	16.12	172029	Jose Lobregat.....	Tacloban.
Pura.....	do.	63.81	171113	Eulalio Lacson.....	Iloilo.
Purissima Concepcion.....	Steamer	46.58	170983	José S. Lopez.....	Manila.
Purissima Concepcion.....	Sail	56.33	171937	Enrique Delgado.....	Iloilo.
Purissima Concepcion.....	do.	29.15	172261	Esteban Arsenas.....	Do.
Putian.....	do.	9.04	170999	Francisco Jalandoni.....	Do.
Rosal.....	do.	61.45	171467	Mariano Nable.....	Manila.
Rosalía.....	Lighter	96.06	170120	M. B. Asensi.....	Iloilo.
Rosario.....	Sail	44.64	170360	D. Alameda.....	Do.
Rosario.....	do.	26.03	171233	M. Dragado.....	Manila.
Rosario.....	do.	23.48	171268	Amalia Resurreccion.....	Do.
Rosario.....	do.	6.73	171702	Isabelo Abuyan.....	Subic.
Rosario.....	do.	7.47	171891	Maximo Marcelino.....	Aparri.
Rosario.....	do.	8.17	171889	Juan Tabangay.....	Cuyo.
Rosario.....	do.	7.32	171917	Vicente Ruiz.....	Aparri.
Rosario.....	do.	7.68	172155	Francisco Hanaysay.....	Iloilo.
Rosario Busuanga.....	do.	24.91	170713	E. Belmonte.....	Do.
Rosario de Diamante.....	do.	5.56	171078	Perfecto Artap.....	Subic.
Rosco.....	do.	6.23	170886	Marcelo Rosco.....	Cebu.
Rosita.....	do.	16.58	171422	Juan Bacol.....	Do.
Rolloba.....	do.	10.3	171379	José Llobregat.....	Tacloban.
Ruperto.....	do.	6.71	177894	Jose Melindrac.....	Cuyo.
S.....	Barge	73.20	170051	Manila Navigation Co.	Manila.
Sagrada Familia.....	Sail	11.09	170529	Ventura Guzman.....	Aparri.
Sagrada Familia.....	do.	11.63	171129	Casimiro Aragones.....	Do.
Sagrada Familia.....	do.	13.14	171529	Ignacio Piro.....	Subic.
Sagrado Corazon.....	do.	35.47	171251	Vicente Camara.....	Manila.
Sail 9511.....	do.	5.29	170019	Felix Velasco.....	Do.
Sail 9593.....	Boat	8.78	170955	Santiago Malpoc.....	Do.
Sail 9346.....	do.	5.12	171312	Elias Quinto.....	Do.
Salita.....	Sail	39.35	170714	H. Candaleza.....	Iloilo.
Salome.....	do.	11.51	172262	Filemon Canlas.....	Do.
Salomon.....	do.	5.48	170282	S. del Rosario.....	Cebu.
Salomon.....	do.	5.12	171222	Salomon Saulong.....	Jan Jose de Buenavista.
Salud.....	do.	47.30	170361	Luzon Steamer and Sail Lighter Co.	Iloilo.
Salva.....	do.	9.90	172156	Bruno Tenga.....	Do.
Salvacion.....	do.	5.06	170771	Esteban Javier.....	Manila.
Salvacion.....	do.	8.08	171389	Luis Merto.....	Subic.
Salvacion.....	do.	7.27	171527	Juan Nibran.....	Do.
Salvacion.....	do.	6.71	171832	Narciso Ilagan.....	Romblon.
Salvacion.....	do.	11.08	172175	Pio Asog.....	Legaspi.
Salvacion.....	do.	10.36	172233	Nicomedes Acejo.....	Iloilo.
Salvacion.....	do.	5.61	172297	Tiburcio Gallego.....	Cathalogan.
Salvacion.....	do.	8.24	172390	Pedro Vitun.....	Aparri.
Salvacion.....	do.	8.43	172511	Amado Zafa.....	Cebu.
Salvacion.....	do.	12.76	172628	Hilarion Digdigan.....	Iloilo.
Salvador.....	do.	11.05	170409	Vicente Castro.....	Tacloban.
Salvador.....	do.	11.40	171217	Fabian Sugbo.....	Cuyo.
Salvador.....	do.	31.34	171918	Alberta Cadabas.....	San Fernando.
Salvadora.....	do.	38.50	171856	Pedro Vazquez.....	Iloilo.
Salvamento.....	do.	10.67	170843	B. Lotayco.....	Tacloban.
Salvamento.....	do.	9.26	171058	Lorenzo C. Mable.....	Cebu.
Salvar.....	do.	9.02	172215	Anastacio Carrion.....	Do.
Salve.....	do.	39.40	172264	J. Borri.....	Iloilo.
Samar.....	Steamer	81.15	170236	Surigao Navigation Co.	Cebu.
Sampaga.....	Lighter	66.34	170437	Eclipse Lighter Co.	Manila.
Sanpaguita.....	do.	53.66	170258	Lizarraga.....	Cebu.
Sampaloc.....	do.	83.80	171587	Rocha & Co.....	Manila.
Sanchez.....	do.	11.15	172386	Prisco Sambu.....	Cebu.
Sanguaza.....	Sail	51.34	170363	M. Lizarraga.....	Iloilo.
Santiago.....	do.	60.52	170245	Mariano G. Veloso.....	Cebu.
Santiago.....	do.	50.01	170403	José Florendo.....	Manila.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904.—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Santiago.....	Sail.....	28.65	171296	B. Almaris.....	Manila.
Santiago.....	do.....	14.24	171375	Placido Radoma.....	Subic.
Santiago.....	do.....	5.23	171137	Pedro Naraga.....	Cebu.
Santiago.....	do.....	13.69	172035	Martin Abutin.....	Do.
Santiago.....	do.....	6.70	172348	Felix Danison.....	Tacloban.
Santisima.....	do.....	6.96	172175	Angelo Agüda.....	Aparri.
Santisima Trinidad.....	do.....	42.39	170605	José Florendo.....	Manila.
Santisima Trinidad.....	do.....	8.66	171562	Catalino Ferranco.....	San Jose de Buenavista.
Santisima Trinidad.....	do.....	17.26	171475	Ignacio Eudencia.....	Manila.
Santisima Trinidad.....	Steamer.....	61.43	172649	Justo Porcuna.....	Do.
Santolan.....	do.....	83.27	172125	Gregorio Ortuoste.....	Do.
San Agustin.....	Sail.....	5.76	170690	Honorio Napolitano.....	Batangas.
San Agustin.....	do.....	5.76	170690	do.....	Do.
San Agustin.....	do.....	33.03	170739	Mariano N. José.....	Manila.
San Agustin.....	do.....	5.28	171432	Tarcilo Bigoy.....	Cebu.
San Agustin.....	do.....	5.07	171526	Teodoro Gacan.....	Manila.
San Agustin.....	do.....	5.20	171835	Evaristo Bajar.....	Cuyo.
San Agustin.....	do.....	7.75	171898	Augustine Tabangay.....	Do.
San Agustin.....	do.....	8.99	172232	Cecilio de la Cruz.....	Do.
San Agustin.....	do.....	14.86	172162	Laureano Edejer.....	Manila.
San Alejandro.....	do.....	9.19	171019	Alejandro Pablo.....	Aparri.
San Alejo.....	do.....	36.38	171628	L. Oliva, E. Abillo, J. Marer.....	San Fernando.
San Anastacio.....	do.....	10.94	170531	Maxima Marcelino.....	Aparri.
San Andres.....	do.....	5.05	170035	Felipe Reyes.....	Manila.
San Andres.....	do.....	11.89	171010	Pedro Martinez.....	Batangas.
San Andres.....	do.....	14.26	171459	Gabriel Guerrero.....	Manila.
San Andres.....	do.....	6.90	171691	José Aquino.....	Aparri.
San Andres.....	do.....	20.99	171718	Pedro Manuel.....	Hilo.
San Andres.....	do.....	5.39	172339	Julian Unite.....	Aparri.
San Antonio.....	do.....	22.64	170100	Pedro España.....	Manila.
San Antonio.....	do.....	26.20	170362	Tomas Juarez.....	Hilo.
San Antonio.....	do.....	10.98	170112	Margarita Tomas.....	Tacloban.
San Antonio.....	do.....	11.36	170535	Francisco Castro.....	Aparri.
San Antonio.....	do.....	9.75	171128	Pablo Reyes.....	Manila.
San Antonio.....	do.....	6.96	171157	Victoriano Sallutan.....	Batangas.
San Antonio.....	do.....	7.72	171162	Perpetuo Agonillo.....	Do.
San Antonio.....	do.....	7.50	171536	Tranquilino Silverio.....	Aparri.
San Antonio.....	do.....	39.07	171632	B. Querubin and V. Cadobas.....	San Fernando.
San Antonio.....	do.....	19.23	171748	P. Baguel, P. Presto Alonzo.....	Do.
San Antonio.....	do.....	5.72	172223	Juan de la Cruz.....	Aparri.
San Antonio.....	do.....	7.13	172313	Anacleto Ranjo.....	Do.
San Antonio.....	do.....	10.00	172346	Engracio Asulen.....	Subic.
San Antonio.....	do.....	9.60	172483	Antonio Legaspiño.....	Cebu.
San Antonio Alias Navegante.....	do.....	44.96	171627	Gregorio S. Sequia.....	San Fernando.
San Antonio Alias Pinfort.....	do.....	81.73	171452	Marcelo Boncan.....	Cebu.
San Antonio de Florencia.....	do.....	18.06	171647	Mariano David.....	Manila.
San Aurelio.....	do.....	9.28	171014	Frank E. Codner.....	Aparri.
San Baldomero.....	do.....	8.01	172169	Baldomero Pader.....	Cebu.
San Basilio.....	Steamer.....	77.32	170240	Nicolas Arboitante.....	Do.
San Benito.....	Sail.....	8.07	171708	Sarail.....	Balabac.
San Bernardino.....	Steamer.....	37.29	170233	Pasig Steamer and Lighter Co.....	Cebu.
San Carlos.....	Sail.....	11.40	170506	Alipio Ragarit.....	Tacloban.
San Chico.....	do.....	11.72	172307	Felipe Gutierrez.....	Cebu.
San Claudio.....	do.....	11.79	172235	Vicente Sandoval.....	Cuyo.
San Cristobal B. Suerte.....	do.....	24.25	172247	Valeriana Mata.....	San Fernando.
San Emigdio.....	do.....	7.30	170525	Sinforoso Corpus.....	Aparri.
San Fabian.....	do.....	11.08	172000	Balbino Cristobal.....	Subic.
San Felix.....	do.....	10.45	170840	Simeon Primer.....	Tacloban.
San Felix.....	do.....	28.14	171301	Balentin Pascua.....	Manila.
San Fernando.....	do.....	9.86	171295	Eduardo Perates.....	Cebu.
San Francisco.....	do.....	6.50	170285	M. Macalino.....	Do.
San Francisco.....	do.....	5.37	171074	Feliciano Alonso.....	Manila.
San Francisco.....	do.....	6.91	171365	Geronimo Cortes.....	Dumaguete.
San Francisco.....	do.....	6.39	171392	Francisco Agapifian.....	Aparri.
San Francisco.....	do.....	98.62	171833	Alberto Barreto.....	Manila.
San Francisco.....	Steamer.....	222.97	171847	Francisco Aguado.....	Do.
San Francisco.....	Sail.....	5.54	172515	Bernardino Velandia.....	Do.
San Francisco.....	do.....	20.90	170906	Mariano Ricaplaza.....	Do.
San Gabriel.....	do.....	10.16	172157	Juan Muyo.....	Hilo.
San Genaro.....	do.....	11.48	170528	Genaro Corpus.....	Aparri.
San Gimiñano.....	do.....	7.22	171892	Isidro Mabun.....	Do.
San Gregorio.....	do.....	5.78	170533	Damaso Umampad.....	Do.
San Gregorio.....	do.....	5.01	171530	Apolonio Dizon.....	Cebu.
San Gregorio.....	do.....	5.28	171540	Nicolas Lollo.....	Catbalogan.
San Guillermo.....	do.....	8.95	172629	Ramon Hilado.....	Hilo.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
San Ignacio.....	Sail.....	87.00	170585	Ignacio Ilagan.....	Manila.
San Ignacio.....	do.....	27.03	171297	Vicente F. Sanchez.....	Do.
San Ignacio.....	do.....	8.15	171399	Juan Guinagutang.....	Aparri.
San Ignacio.....	do.....	12.15	171682	Hosipio Camacho.....	Do.
San Inocente.....	do.....	25.44	171543	Inocentes Soles.....	Cebu.
San Isidro.....	do.....	105.56	170516	G. Cord and V. Tolentino.....	Manila.
San Isidro.....	do.....	17.30	171052	Lorenzo Cascos.....	Cebu.
San Isidro.....	do.....	6.82	171134	Flaviano Slosion.....	Aparri.
San Isidro.....	do.....	6.36	171220	Felipe Javarez.....	Cuyo.
San Isidro.....	do.....	27.04	172013	B. Volceco and J. Volceco.....	San Fernando.
San Isidro.....	do.....	6.51	172236	Venancio Martinez.....	Cuyo.
San Isidro.....	do.....	7.40	172466	Agapito Lozada.....	Tacloban.
San Isidro Labra- dor.....	do.....	11.36	172043	Francisco Castro.....	Aparri.
San Jacinto.....	do.....	11.68	172374	Silveria Bunoan.....	Do.
San Joaquin.....	Steamer.....	337.27	170765	Florencio Legaspi.....	Manila.
San Jorge.....	do.....	61.00	170234	Miguel Pelaez.....	Cebu.
San Jorge.....	Sail.....	5.85	171403	Quintin Tarpamcu.....	Aparri.
San Jorge.....	do.....	11.54	172065	Francisco Almonte.....	Legaspi.
San José.....	do.....	5.59	170004	Felipe Reyes.....	Manila.
San José.....	do.....	41.23	170082	Antanasia Aniversario.....	Do.
San José.....	do.....	54.99	170364	Philippine Shipping Co.....	Hollo.
San José.....	do.....	12.06	170537	Urbano Tecla.....	Aparri.
San José.....	do.....	6.74	170543	Potenciano Olalde.....	Do.
San José.....	Barge.....	22.94	170639	Macondray & Van Buskirk.....	Manila.
San José.....	Sail.....	13.43	170672	Pablo Abadilla.....	Do.
San José.....	do.....	19.37	170688	Miguel Calapat.....	Do.
San José.....	Boat.....	5.67	170723	José Quisquis.....	Do.
San José.....	Sail.....	7.69	170733	Lazaro Arcega.....	Do.
San José.....	do.....	10.99	171087	Felipe Ague.....	Subic.
San José.....	do.....	8.39	171130	Isaac de la Cruz.....	Aparri.
San José.....	do.....	6.32	171156	Felix Hernandez.....	Batangas.
San José.....	do.....	7.04	171225	Leandro Nangan.....	San Jose de Buenavista.
San José.....	do.....	22.88	171271	Nicolas Bagoyo.....	Manila.
San José.....	do.....	36.89	171289	B. Almaras.....	Do.
San José.....	do.....	10.73	171363	Fausta Benito.....	Dumaguete.
San José.....	Banca.....	5.28	171367	José Lobregat.....	Tacloban.
San José.....	Sail.....	5.09	171401	Emeterio Jimenez.....	Aparri.
San José.....	do.....	5.32	171409	Jose Quifona.....	Do.
San José.....	do.....	5.65	171411	Hilarión Sunico.....	Do.
San José.....	do.....	38.33	171537	Telesforo Guerrero.....	Do.
San José.....	do.....	15.84	171634	Balbino Escobar.....	San Fernando.
San José.....	do.....	6.87	171817	Silvestre Uno.....	Cebu.
San José.....	do.....	18.02	171965	Gervasio Taricla.....	Manila.
San José.....	do.....	8.30	172120	Candido Calavio.....	Do.
San José.....	do.....	17.40	172130	Teofilo de los Santos.....	Aparri.
San José.....	do.....	5.45	172190	M. V. Zulueta.....	Batangas.
San José.....	do.....	11.56	172228	José Subeldia.....	Legaspi.
San José.....	do.....	11.98	172326	Wenceslao Villar.....	Manila.
San José.....	do.....	7.11	172381	Prudencio Giralde.....	Aparri.
San José.....	do.....	9.81	172388	Faundo Rabaja.....	Do.
San José.....	do.....	11.38	172488	Remigio Gorospe.....	Do.
San José de Lipa.....	do.....	12.58	171870	Braulio Villaflores.....	Manila.
San Juan.....	Steamer.....	310.00	170426	Pasig Steamer and Lighter Co.....	Do.
San Juan.....	Sail.....	5.30	170519	Teodoro Tahon.....	Aparri.
San Juan.....	do.....	10.33	170545	Flav. Buenaventura.....	Do.
San Juan.....	Lighter.....	74.68	170940	Estevan Rio.....	Manila.
San Juan.....	Casco.....	26.42	171207	Valentin Gonzalez.....	Cebu.
San Juan.....	Sail.....	7.18	171374	Ignacio Gaerlan.....	Subic.
San Juan.....	do.....	47.61	171446	Pedro Valquez.....	Hollo.
San Juan.....	do.....	44.85	171830	S. Gulpit and S. Punlegon.....	San Fernando.
San Juan.....	do.....	6.31	172047	Zollo Janairo.....	San Jose de Buenavista.
San Juan.....	do.....	8.67	172184	Regino Gaco.....	Dumaguete.
San Juan.....	do.....	9.70	172224	Catalino Moss.....	Subic.
San Juan.....	do.....	5.11	172265	Eustaquio de los Reyes.....	Hollo.
San Juan.....	do.....	7.55	172392	Margarita Garan.....	Dumaguete.
San Juan Bandista.....	do.....	7.36	171406	Polcarpo Agapinan.....	Aparri.
San Juan Bandista.....	do.....	11.05	171997	José Verches.....	Manila.
San Julian.....	do.....	10.72	171531	Rafael Sablay.....	Cebu.
San Leon.....	do.....	65.48	171651	Carmen Masip.....	Manila.
San Lorenzo.....	do.....	10.50	172408	José Verches.....	Tacloban.
San Lucas.....	do.....	25.95	172458	Francisco Bombon.....	Hollo.
San Luis.....	do.....	10.41	171114	Luis Vito.....	Do.
San Luis Gonzaga.....	do.....	11.97	171137	G. Villalor.....	Aparri.
San Manuel.....	do.....	5.24	171904	Sofronio Bulanas.....	Tacloban.
San Marcial.....	do.....	9.35	172345	Simplicio Pajente.....	Dumaguete.
San Martin.....	do.....	8.92	170694	W. W. Knox.....	Batangas.
San Martin.....	do.....	5.69	172561	Martina Franco.....	Aparri.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
San Mateo.....	Barge.....	23.50	170599	Macondray & Van Buskirk...	Manila.
San Mateo.....	Sail.....	6.26	172594	Juan Atilano.....	Cebu.
San Miguel.....	Lighter.....	146.59	170038	Pasig Steamer and Lighter Transportation Co.	Manila.
San Miguel.....	Sail.....	5.46	170448	Juan Lontoc.....	Batangas.
San Miguel.....	do.....	5.83	170527	Castor Augustin.....	Aparri.
San Miguel.....	do.....	30.56	170687	Miguel Calafat.....	Manila.
San Miguel.....	do.....	8.14	171079	Romualdo Madarang.....	Subic.
San Miguel.....	do.....	10.47	171970	Juan Janolo.....	Manila.
San Miguel.....	do.....	11.76	172090	Pedro Abocelo.....	Tacloban.
San Miguel.....	do.....	11.99	172131	Teodorica Mateas.....	Aparri.
San Miguel.....	do.....	11.24	172335	Casimiro Gonzalez.....	Cebu.
San Miguel.....	do.....	15.62	172465	Francisco D. Damaso.....	Manila.
San Moises.....	do.....	5.67	172156	Vicente Cruco.....	Cebu.
San Nemesio.....	do.....	9.77	172395	Nemesio Dañe.....	Do.
San Nicolás.....	do.....	6.59	170692	Pioquinto Arellano.....	Batangas.
San Nicolás.....	do.....	64.34	171316	M. Aniversario.....	Manila.
San Nicolás.....	do.....	6.15	171534	Victoriano Navotilan.....	Aparri.
San Nicolás.....	Lighter.....	32.56	171554	Macleod & Co.....	Cebu.
San Nicolás.....	Sail.....	9.44	171946	Dolores Aragonés.....	Aparri.
San Nicolás.....	do.....	5.28	172001	Timoteo Manzano.....	Subic.
San Nicolás.....	do.....	6.08	172245	G. de Lemas and F. Villaluz.....	Manila.
San Nicolás.....	do.....	11.42	172429	Francisca Maranan.....	Do.
San Nicolás.....	Steamer.....	316.44	172611	Espiridion G. Borja.....	Do.
San Nicolás de Tolentino.....	Sail.....	15.79	171005	Marcelo Flores.....	Iloilo.
San Nicolás de Tolentino.....	do.....	40.51	171303	A. Almeredo.....	Manila.
San Nicolás de Tolentino.....	do.....	12.84	172180	Anacleto B. Jimenez.....	San José de Buenavista.
San Pablo.....	do.....	5.07	171011	Pablo Rosales.....	Batangas.
San Pablo.....	do.....	9.20	171186	Estanislao Atrevido.....	Aparri.
San Pablo.....	do.....	52.83	171923	Gregorio Quitoriano.....	San Fernando.
San Pablo.....	do.....	6.31	172221	Marcelino Ayumayum.....	Aparri.
San Pablo Apostol.....	do.....	23.56	171743	Feliciano Palledo.....	San Fernando.
San Pedro.....	Steamer.....	68.68	170018	J. McMillen.....	Manila.
San Pedro.....	Sail.....	9.35	170415	Galiciano Gosaco.....	Tacloban.
San Pedro.....	do.....	10.44	170534	Gervacia Miguel.....	Aparri.
San Pedro.....	do.....	10.09	170536	Cipriano Rio.....	Do.
San Pedro.....	do.....	8.29	170657	E. Espartero.....	Manila.
San Pedro.....	do.....	7.62	170659	Justo Valdez.....	Do.
San Pedro.....	Casco.....	28.14	171208	Valentin Gonzalez.....	Cebu.
San Pedro.....	Sail.....	11.75	171237	Florentino Torda.....	Manila.
San Pedro.....	do.....	18.42	171288	Pantaleon Pauua.....	Do.
San Pedro.....	do.....	10.70	171385	Maximo Vermejo.....	Aparri.
San Pedro.....	do.....	6.21	171390	Julio Quilente.....	Do.
San Pedro.....	do.....	5.33	171402	Gervasio Diego.....	Do.
San Pedro.....	do.....	8.93	171692	Modesto Ranada.....	Do.
San Pedro.....	do.....	5.17	171830	Bernabe Mallon.....	Romblon.
San Pedro.....	do.....	8.67	171922	Pedro Arquillo.....	Aparri.
San Pedro.....	do.....	6.97	171943	Eduardo Pascua.....	Do.
San Pedro.....	do.....	5.77	172187	Angel Castillo.....	Batangas.
San Pedro.....	do.....	5.13	172371	Pedro Sinpuego.....	Aparri.
San Pedro.....	do.....	8.05	172391	Polcarpo Agapinan.....	Do.
San Pedro.....	do.....	18.23	172420	Juan Capoyong.....	Manila.
San Pedro.....	do.....	5.97	172506	Anselmo Buniag.....	San José de Buenavista.
San Pedro.....	do.....	6.75	172602	Mariano Banquil.....	Dumaguete.
San Pedro Felino.....	do.....	10.44	170538	Celedonio Pablo.....	Aparri.
San Pedro Felino.....	do.....	7.00	171535	Nieves Fronda.....	Do.
San Pedro y San Pablo.....	do.....	54.73	171636	Sixto Zanduetta.....	San Fernando.
San Pio.....	do.....	12.62	172167	Pio Lagura.....	Cebu.
San Placido.....	do.....	10.48	171545	Fausto Villas.....	Do.
San Rafael.....	Steamer.....	31.40	170232	Manuel Veloso.....	Do.
San Rafael.....	Sail.....	8.91	171041	Hermogenes Arce.....	Subic.
San Rafael.....	do.....	5.07	171160	Eusebio Principe.....	Batangas.
San Rafael.....	do.....	16.52	171449	Nicolas Alejoro.....	Iloilo.
San Rafael.....	do.....	5.80	172177	Julian Cabañes.....	Tacloban.
San Rafael.....	do.....	5.04	172226	Antonio Misola.....	Subic.
San Rafael.....	do.....	5.07	172412	Simon Magbana.....	Cuyo.
San Rafael.....	do.....	20.37	172545	Nicolosa Cabrera.....	Manila.
San Ramon.....	do.....	7.59	171085	Apolonio Malong.....	Subic.
San Roque.....	do.....	20.70	170635	Feliciano Abdon.....	Manila.
San Roque.....	do.....	6.33	171688	Maria Quillopas.....	Aparri.
San Roque.....	do.....	5.67	171759	Dalmacio Datingating.....	Batangas.
San Roque.....	do.....	6.46	172170	Inocencio Cortes.....	Aparri.
San Roque.....	do.....	5.54	172222	Macario Arriola.....	Do.
San Roque.....	do.....	13.36	172320	Mateo Reguinoin.....	Subic.
San Roque.....	do.....	5.46	172387	Eugenio Villa.....	Aparri.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904.—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
San Ricardo	Sail	10.34	172350	Juan Custodio	Tacloban.
San Venancio	do.	10.52	171116	Andres Cudilla	Iloilo.
San Vicente	do.	8.34	170829	Miguel Leones	Aparri.
San Vicente	do.	5.83	170830	Vicente Malena	Do.
San Vicente	do.	9.03	171006	Andres Amedo	Butangas.
San Vicente	do.	5.67	171024	Felix Majaqui	Romblon.
San Vicente	do.	5.43	171090	Sebastian Abella	Subic.
San Vicente	do.	4.74	171184	Pedro Natividad	Manila.
San Vicente	do.	14.19	171280	Nicolasa Cabrera	Do.
San Vicente	do.	5.53	171360	Manuel Liris	Surigao.
San Vicente	do.	5.47	171389	Fausto Arriolas	Aparri.
San Vicente	do.	9.75	171400	Francisco Castro	Do.
San Vicente	do.	6.39	171404	Victoriano Nabatilan	Do.
San Vicente	do.	77.49	171919	J. Quituriano, P. Aspacio, and others.	San Fernando.
San Vicente	do.	21.68	171928	Victoriano Fontelara	Manila.
San Vicente	do.	11.59	171942	Pablo Reyes	Aparri.
San Vicente	do.	46.46	172014	E. Llanes and A. Navarro	San Fernando.
San Vicente	do.	6.25	172218	Gabriel Formoso	Aparri.
San Vicente	do.	5.07	172225	Jorge Mina	Subic.
San Vicente	do.	6.77	172286	Ruperto Gutierrez	Aparri.
San Vicente	do.	39.57	172341	Pedro Arquillo	Do.
San Vicente	do.	6.70	172342	Romualdo Martinez	Do.
San Vicente	do.	9.08	172368	Crispino Cobo	Do.
San Vicente	do.	6.00	172502	Lucas Marquez	Dumaguete.
San Vicente	do.	9.07	172632	Agripino Buncio	Iloilo.
San Vicente	do.	5.38	171889	Eustaquio Carpio	Aparri.
San Vicente Ferrer	do.	6.68	170679	Dionisia Manrique	Manila.
San Vicente Ferrer	do.	6.06	172219	Jacinta Molina	Aparri.
San Vicente Ferrer	do.	8.30	172294	Raymundo Concepcion	Do.
San Vicente Ferrer	do.	6.43	171215	Bartolo Factor	Cuyo.
Santa Ana	do.	31.14	170391	T. Rabadilla	Iloilo.
Santa Ana	do.	8.81	170674	Domingo Alvarado	Manila.
Santa Ana	do.	5.03	171379	Patricio Abrior	Subic.
Santa Ana	do.	6.45	172490	Valentina Ranuya	Aparri.
Santa Andrea	do.	6.09	171408	Damaso Umadap	Do.
Santa Apolonia	do.	17.97	170365	Pedro Manuel	Iloilo.
Santa Apolonia	do.	8.43	171013	Lorenzo Castillet	Aparri.
Santa Barbara	do.	11.23	171238	Camilo Quimbasa	Manila.
Santa Barbara	do.	5.75	172231	Clemente Fernandez	Cuyo.
Santa Catalina	do.	8.32	171391	Gaudencio Anastasio	Aparri.
Santa Catalina	do.	10.17	171397	Geminiano Valflor	Do.
Santa Catalina	do.	24.71	171765	Canuto Vargas	Manila.
Santa Catalina	do.	8.95	171969	Eugenio Jonolo	Do.
Santa Catalina	do.	10.42	172051	Marceliano Abdon	Subic.
Santa Catalina	do.	7.86	172414	Simplicio Natan	Cuyo.
Santa Clara	do.	7.63	171829	Hugo Gabuna	Romblon.
Santa Cruz	Steamer	48.60	170001	Mañila Navigation Co.	Manila.
Santa Cruz	Sail	16.07	171195	Candida Rabaya	Cebu.
Santa Dionisia	do.	9.94	171395	Proceso Gorospe	Aparri.
Santa Eduarda	do.	8.41	172160	Simon Sagural	Cebu.
Santa Elena	do.	7.87	170904	Jorgio Marilao	Do.
Santa Emilia	do.	40.39	170366	Pedro Juarez	Iloilo.
Santa Feliciano	do.	43.82	171469	Isidora Paguio	Manila.
Santa Filomena	do.	11.51	171139	Ramon Charesma	Aparri.
Santa Filomena	do.	17.30	171300	A. Quirubin and M. Quindac	Manila.
Santa Filomena	do.	6.99	171377	Baldomero Artap	Subic.
Santa Filomena	do.	10.17	172344	Lorenzo Pabilon	Dumaguete.
Santa Filomena	do.	84.45	171764	Ladislao Donato	Manila.
Santa Esmeralda	do.	17.02	170833	Francisco Castro	Aparri.
Santa Gervacia	do.	8.16	170858	Guillermo Abdujan	Cebu.
Santa Inés	do.	10.95	170036	Ambrosio José	Manila.
Santa Isabel	do.	12.45	170875	Enrique Lim	Cebu.
Santa Isabel Lu- bang	do.	11.24	171961	Ariston Muñoz	Manila.
Santa Isabel Rey- na de Ungría	do.	6.67	171393	José Aquino	Aparri.
Santa Josefa	do.	6.40	171398	Ceferino Lanci	Do.
Santa Juana	do.	8.82	172011	Vicente Espinosa	Do.
Santa Juanita	do.	11.99	172389	Maximo Bermejo	Do.
Santa Juliana	do.	8.64	171412	Salustiano Funtanilla	Do.
Santa Lucia	do.	64.01	170297	B. Villanueva	Manila.
Santa Lucia	do.	20.55	171292	Tomas Villaros	Do.
Santa Macaria	do.	7.89	170896	Lorenzo Jumapas	Cebu.
Santa Maria	do.	11.34	170523	Maria Pinson	Aparri.
Santa Maria	do.	6.70	170654	Hilario Cuchong	Manila.
Santa Maria	do.	8.34	170667	Urbano Tecla	Do.
Santa Maria	do.	15.09	170915	Florentino Elicaño	Do.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton- nage.	Official num- ber.	Owner.	Home port.
Santa Maria.....	Sail	5.15	171132	Victorino Espiritu.....	Aparri.
Santa Maria.....	do	23.45	171305	Baldomero Gaylan.....	Manila.
Santa Maria.....	do	9.82	171924	Victoriano Navaltitan.....	San Fernando.
Santa Maria.....	do	33.30	172340	Angel C. Escalante.....	Aparri.
Santa Maria.....	do	8.91	172372	Laoreano Quijada.....	Do.
Santa Maria.....	do	25.25	172469	Valentin Francisco.....	Legaspi.
Santa Maria.....	do	6.49	172636	Francisco Agapinan.....	Aparri.
Santa Maria de Iman.....	do	8.44	171036	Mariano Alcasit.....	Catbalogan.
Santa Maria de Ripol.....	do	140.78	170932	Esteban Riu.....	Manila.
Santa Mauricia.....	do	33.94	170035	Balbino Peñaranda.....	Do.
Santa Mónica.....	do	5.48	171639	Doroteo Artap.....	Subic.
Santa Paula.....	do	6.03	171209	Prisco Zambo.....	Cebu.
Santa Romana.....	do	8.07	172630	Ramon Hilado.....	Iloilo.
Santa Rosela.....	do	7.53	172631	Policarpo Acejo.....	Do.
Santa Silvina.....	do	12.24	170526	Genaro Corpus.....	Aparri.
Santa Susana.....	do	14.82	170530	Nicolas Bautista.....	Do.
Santa Susana.....	do	50.71	172357	Sixto Sandueta.....	San Fernando.
Santa Verónica.....	do	41.22	170636	V. Amancio and others.....	Manila.
Santa Verónica.....	do	6.70	172347	Ignacio Galindes.....	Subic.
Santa Victoria.....	do	50.97	170990	Crisanto Ilagan.....	Manila.
Santa Victoria.....	do	7.79	171851	Ildefonso Monfort.....	Iloilo.
Santo Cristo.....	do	33.96	171295	A. Navarro and M. Aspacio.....	Manila.
Santo Domingo.....	do	9.09	170668	Esteban Alameda.....	Do.
Santo Domingo.....	do	5.06	171719	Isidoro Cordoba.....	Iloilo.
Santo Domingo.....	do	12.31	172486	Mamerto Paleracio.....	Aparri.
Santo Niño.....	do	6.86	170507	Quintín Yaranon.....	Tacloban.
Santo Niño.....	do	11.00	170689	Sebastian Cuasay.....	Batangas.
Santo Niño.....	do	14.73	170906	Filomeno del Mar.....	Cebu.
Santo Niño.....	do	9.26	171000	Marcelo Gotingan.....	Iloilo.
Santo Niño.....	do	17.53	171618	Juan A. y Arana.....	Manila.
Santo Niño.....	do	6.98	171998	Sabás D. Efesala.....	Subic.
Santo Niño.....	do	6.22	172012	Macario Ariquillo.....	Aparri.
Santo Niño Alión.....	do	8.09	170901	Regino Reyes.....	Batangas.
Santo Rosario.....	do	10.59	171394	Francisco Leones.....	Aparri.
Santo Rosario.....	do	8.65	171840	José Rosales.....	Manila.
Santo Santiago.....	do	80.76	171260	V. B. Guitoriano.....	Do.
Santo Tomás.....	do	13.40	170846	Felix Isabelo.....	Tacloban.
Santo Tomás.....	do	13.27	171115	Pedro Juarez.....	Iloilo.
Santo Tomás.....	do	45.77	171448	José Zulueta.....	Do.
Santo Tomás.....	do	7.62	171760	Francisco Gajul.....	Batangas.
Santo Tomás.....	do	19.57	172134	M. Portillano.....	Manila.
Santo Tomás.....	do	8.06	172467	Juan Morales.....	Tacloban.
Santo Tomás.....	do	7.86	172935	Teodorica Matias.....	Iloilo.
Sara.....	do	141.22	172253	Angel José.....	Manila.
Sarapap.....	do	25.90	172358	Pedro Rainoso.....	San Fernando.
Sartorio.....	do	6.46	171704	Laureano Sartorio.....	San José de Buenavista.
Satu.....	Barge	37.91	172592	W. E. Sherman.....	Manila.
Sebandal.....	Sail	8.36	172020	Matias Sebandal.....	Cebu.
Sel.....	Casco	16.78	172639	Sandalio Oquiniama.....	Do.
Selim.....	Sail	8.16	172036	Simplicio Schim.....	Do.
Semerara.....	do	15.44	172633	Abdon Magan.....	Iloilo.
Seneca.....	do	30.37	170881	Damian Perales.....	Cebu.
Seneca.....	do	7.12	170666	Raymundo Concepcion.....	Manila.
Serapia A.....	do	9.02	171814	Carlos A. Garrido.....	Cebu.
Serapio.....	do	7.56	170562	Serapio Cabezas.....	Do.
Sereno.....	do	11.64	171428	Sotero Ugpo.....	Do.
Serrantes.....	Steamer	105.53	172577	Casimiro Oria.....	Manila.
Severino.....	Sail	5.95	172432	Bibiano Lopez.....	Legaspi.
Sey.....	do	20.96	170662	Edmundo de Aenlle.....	Manila.
Shark.....	Steam launch	14.16	172599	E. C. Thomas.....	Do.
Sherman.....	do	17.81	171859	W. E. Sherman.....	Do.
Simapala.....	Sail	7.71	171823	Celestino Simagala.....	Cebu.
Simcon.....	do	11.07	172393	Simcon Apilat.....	Do.
Sim Nombre.....	do	5.71	170561	Bonifacio Naje.....	Do.
Sim Rival.....	do	55.82	170170	M. B. Asensi.....	Manila.
Sirena.....	do	56.50	171726	Manuel Guaso.....	Iloilo.
Socorro.....	do	10.71	171218	José Gonzalez.....	Cuyo.
Socorro.....	do	26.25	172661	D. Go. Bailon.....	Manila.
Sofia.....	Lighter	80.26	170126	G. Abella.....	Do.
Sofia.....	Sail	36.07	170367	Pedro Vasquez.....	Iloilo.
Sofilita.....	do	9.88	171308	Dionisio T. Santos.....	Manila.
Sol.....	do	48.82	170429	Manila Shipping and Trans- portation Co.	Do.
Sol.....	do	6.01	170539	H. Encarnacion.....	Aparri.
Solay.....	do	5.58	172154	Luis Solay.....	Cebu.
Soledad.....	do	5.68	171720	Anacleto Bellosillo.....	Iloilo.
Soledad.....	do	75.26	171884	Isabelo Aviles.....	Sorsogon.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Ton-nage.	Official number.	Owner.	Home port.
Soledad.....	Sail.....	5. 17	171897	José Ponce de Leon.....	Cuyo.
Soledad.....	do.....	75. 26	172657	Isabelo Abiles.....	Manila.
Soledad, Manila.....	do.....	98. 16	170953	Mariano Tuzon.....	Do.
Soles.....	do.....	7. 72	171064	Daniel Loma.....	Cebu.
Sorsogon.....	Steamer.....	420. 18	170147	Philippine Shipping Co.....	Manila.
Suacillo.....	Sail.....	14. 72	170865	Jaime Vaño.....	Cebu.
Suerte.....	do.....	11. 96	170854	Claudio Daroma.....	Do.
Suerte.....	do.....	43. 98	171938	José Zulueta.....	Iloilo.
Suerte.....	do.....	13. 04	172197	Miguel Alfaro.....	Manila.
Suico.....	do.....	8. 76	171188	Fernin Suico.....	Cebu.
Sulaoan.....	do.....	11. 37	172644	Francisco Arsenio.....	Tacloban.
Sumilang.....	do.....	13. 82	171455	Daniel Samboing.....	Manila.
Sundown.....	Steam launch.....	23. 25	170954	J. H. Threw.....	Do.
Sur.....	Sail.....	20. 81	170682	Miguel Calafat.....	Do.
Surigao.....	Steamer.....	111. 83	170235	Aldecoa & Co.....	Cebu.
T.....	Barge.....	92. 68	172238	Manila Navigation Co.....	Manila.
Taaleno.....	Steamer.....	65. 24	170099	Anastasia Aniversario.....	Do.
Tacloban.....	Casco.....	50. 46	172414	Compañía Tabacalera.....	Cebu.
Taculin.....	Steamer.....	70. 16	170384	I. de la Rama.....	Iloilo.
Tafalla.....	Sail.....	49. 45	170368	M. Lizarraga.....	Do.
Tagadito.....	Steamer.....	54. 27	171771	J. R. Yangco.....	Manila.
Taguiguan.....	Sail.....	6. 26	172266	E. Lagura.....	Iloilo.
Talizma.....	do.....	53. 53	170369	Gregorio Yulu.....	Do.
Tamaini.....	do.....	10. 98	171684	Hospicio Camacho.....	Aparri.
Tanda.....	do.....	6. 42	171383	Brigido Dumalao.....	Subic.
Tanjayana.....	do.....	7. 89	172523	Nicasio Real.....	Dumaguete.
Tarlac.....	Steamer.....	525. 07	170098	M. B. Ascensi.....	Manila.
Tayabas.....	do.....	175. 71	170169	do.....	Iloilo.
Tayabas.....	Lighter.....	68. 23	170223	Manuel Gaspar.....	Manila.
Tayco.....	Sail.....	5. 74	172503	Santiago Tayco.....	Dumaguete.
Telesforo.....	do.....	5. 16	172478	Telesforo Monares.....	Cebu.
Tenorio.....	do.....	6. 22	170856	Bernardo Alivio.....	Do.
Teodoro.....	do.....	5. 16	172367	Teodoro Sale.....	Iloilo.
Teodoro.....	do.....	5. 06	172634	Antonia E. Vda. de Vernut.....	Do.
Teodosia.....	Lighter.....	48. 45	170103	Pasig Steamer and Lighter Co. (Limited). Isaac de la Cruz.....	Manila.
Teofila.....	Sail.....	8. 49	172651	do.....	Aparri.
Terresita.....	do.....	6. 71	171022	Marcelo Tanciongco.....	Romblon.
Terraplen.....	do.....	5. 37	171487	Facundo Brilmea.....	Legaspi.
Tinchiu.....	Casco.....	6. 66	172542	Agapito Anibon.....	Cebu.
Tigbauan.....	Sail.....	50. 65	171939	José Zulueta.....	Iloilo.
Tirso Lizarraga.....	Steamer.....	97. 76	170241	Nicolas Arbotante.....	Cebu.
Toemo.....	Sail.....	14. 03	172158	Buenaventura Toemo.....	Subic.
Tomás.....	do.....	12. 97	170267	Tomás Mabunag.....	Cebu.
Tomás.....	Lighter.....	19. 07	171069	Concepcion Valero.....	Manila.
Tomás.....	do.....	219. 32	172671	Ramon Soriano.....	Do.
Tomasa.....	Sail.....	47. 44	171254	M. Aniversario.....	Do.
Toning.....	do.....	5. 55	171812	Anastasio Antonio.....	Cebu.
Tony.....	do.....	47. 78	170365	Jeronimo R. Jose.....	Do.
Torregosa.....	do.....	6. 71	172144	Victoriano Torregosa.....	Do.
Torrillo.....	do.....	7. 12	171555	Leoncio Torrillo.....	Do.
Treno.....	do.....	21. 76	172551	Joaquin Tomas.....	Legaspi.
Tres.....	do.....	54. 97	171117	Felipe Lopez.....	Manila.
Tres Hermanas.....	do.....	10. 12	171075	Ciriaco Almario.....	Subic.
Tres Hermanos.....	do.....	28. 98	170890	Florentino Rallos.....	Cebu.
Tres Hermanos.....	do.....	5. 15	171144	Bonifacio Tumbis.....	Iloilo.
Tres Marias.....	do.....	5. 37	172500	Valeriano Lozada.....	San José de Buenavista.
Triana.....	do.....	48. 93	170392	T. Rabadilla.....	Iloilo.
Trinidad.....	do.....	59. 79	170370	Julian Montilla.....	Do.
Trining.....	Lighter.....	56. 34	170218	Manuel Gaspar.....	Manila.
Trinitus.....	Sail.....	12. 12	172137	José Marapas.....	Cebu.
Trois.....	Banca.....	6. 38	170509	Pilar Solana.....	Tacloban.
Truño.....	Steam launch.....	17. 19	170149	Philippine Shipping Co.....	Manila.
Tubig.....	Steamer.....	96. 71	170988	Rafael Reyes.....	Do.
Tudela.....	Sail.....	49. 68	170371	M. Lizarraga.....	Iloilo.
Tuguegarao.....	Lighter.....	84. 46	170182	M. B. Ascensi.....	Manila.
Tumampos.....	Sail.....	9. 52	171562	Ramon Tumampos.....	Cebu.
Twister.....	do.....	9. 71	170892	Victoria Laesa.....	Do.
Ulu.....	do.....	3. 36	171384	Santiago Corpus.....	Aparri.
Ulut.....	Banca.....	6. 09	170420	José Llobregat.....	Tacloban.
Une.....	do.....	6. 18	170511	Vidal Solana.....	Do.
Ungab.....	Sail.....	6. 67	171189	Aquilino Baulita.....	Cebu.
Unisan.....	do.....	79. 44	171645	Mauro Prieto.....	Manila.
Unisan.....	Casco.....	14. 97	172521	Joaquin Garcia.....	Batangas.
Union.....	Steamer.....	428. 39	170097	M. B. Ascensi.....	Manila.
Union.....	Sail.....	33. 54	170279	J. M. Switzer & Co.....	Cebu.
Union.....	do.....	5. 47	171813	Isidoro Tugonan.....	Do.

* Sunk June 24, 1904.

APPENDIX C-2.—List of vessels to which official numbers have been assigned in the Philippine Islands to July 31, 1904—Continued.

Name.	Rig.	Tonnage.	Official number.	Owner.	Home port.
Uranus.....	Sail.....	9.87	172288	Mannel Villamil.....	Dumaguete.
Ursula.....	do.....	7.14	170768	Servillano Cajoles.....	Manila.
Valencia.....	do.....	11.44	172136	Pedro Samson.....	Cebu.
Valentin.....	do.....	10	170521	Flabiano Buenaventura.....	Aparri.
Valentina.....	do.....	5.28	172419	Maximino Vallarino.....	Tacloban.
Valentina.....	do.....	5.81	172488	Guillermo Bunde.....	Cebu.
Varadero I.....	Lighter.....	71.31	172443	Leonardo Osorio.....	Manila.
Varadero II.....	do.....	79.31	172449	do.....	Do.
Vasco Navarro.....	Steamer.....	86.92	170515	Ulpiano Velasco.....	Do.
Vela.....	Sail.....	40.97	171731	Eclipse Lighter Co.....	Iloilo.
Valero.....	do.....	11.60	170837	Dionisio Amores.....	Aparri.
Velo.....	do.....	9.08	170900	Lucio Viajedor.....	Cebu.
Vendejo.....	do.....	9.50	172587	Martiniano Vendejo.....	Do.
Ventura.....	Steam launch.....	15.98	170164	Matias Sanchez.....	Manila.
Venus.....	Steamer.....	651.86	170055	Compañia Maritima.....	Do.
Venus.....	Sail.....	36.79	170372	Philippine Shipping Co.....	Do.
Venus.....	do.....	7.90	172338	Emiliano Villalor.....	Aparri.
Vi.....	Casco.....	12.32	170864	Sandalio Aquiniana.....	Cebu.
Viajero.....	Sail.....	11.05	172386	Fernin Macanaya.....	Aparri.
Vicentia.....	do.....	11.02	171018	do.....	Do.
Victoria.....	Steamer.....	146.21	170265	Jaime Vaño.....	Cebu.
Victoria.....	Sail.....	5.45	170680	Miguel Calapat.....	Manila.
Victoria.....	Steam launch.....	31.42	170807	Manila Shipping and Transportation Co.....	Do.
Victoria.....	Sail.....	13.29	172580	Bonifacio Bundal.....	Cuyo.
Vida.....	do.....	32.33	170373	Pedro Juarez.....	Iloilo.
Viga.....	do.....	23	172569	Enrique Gil.....	Legaspi.
Villafuerte.....	do.....	12.25	170844	Alipio Ragarrit.....	Tacloban.
Villahermosa.....	do.....	15.39	171556	Felipe Lumayoc.....	Cebu.
Villahermosa.....	do.....	6.90	172308	Julian Pasa.....	Do.
Villeza.....	do.....	5.62	172185	Anastasio Pique.....	Dumaguete.
Villalimpia.....	do.....	7.11	171434	Agaton Soriano.....	Cebu.
Villanueva.....	do.....	23.29	170655	Esteban Ramillo.....	Manila.
Villa de Rivadavia.....	do.....	244.45	170730	Marcelo Boncan.....	Do.
Villa de Sencillo.....	do.....	95.86	170375	M. Lizarraga.....	Do.
Virac.....	do.....	20	172568	Enrique Gil.....	Legaspi.
Virgin.....	do.....	42.08	170374	M. Lizarraga.....	Iloilo.
Virgin del Mar.....	do.....	54.21	171722	Eclipse Lighter Co.....	Do.
Virginia.....	do.....	6.16	170555	Mariano Mercado.....	Cebu.
Vizcaya.....	Steamer.....	743.50	170808	Compañia Maritima.....	Manila.
Vizcaya.....	Sail.....	61.30	171065	Leocadia Ayala.....	Do.
Visitacion.....	do.....	11.19	170838	Regino Miguel.....	Aparri.
Visitacion.....	do.....	10.94	172220	Estanislao Atrivido.....	Do.
Vocal.....	do.....	5.23	171815	Nicolas Vocal.....	Cebu.
Wairiell.....	do.....	15.81	171045	Jaime Vaño.....	Do.
Walrus.....	do.....		170976	Manila Shipping and Transportation Co.....	Manila.
Walter.....	Lighter.....	81.68	170128	G. Abella.....	Do.
Washington.....	Sail.....	11.79	171945	Francisco Castro.....	Aparri.
Wee-Mary.....	Banca.....	10.90	171033	A. F. Carriek.....	Catbalogan.
Y. Sontua.....	Steamer.....	585.57	170413	Marcelo Boncan.....	Manila.
Yap.....	Casco.....	5.23	170558	Castor Concepcion.....	Cebu.
Yru.....	Sail.....	35.14	170664	Edmundo de Aulle.....	Manila.
Yruña.....	Steamer.....	471	170224	M. Lizarraga.....	Do.
Zaeta.....	Lighter.....	59.36	170801	Manila Shipping and Transportation Co.....	Do.
Zaspi.....	Casco.....	17	172336	Sandalio Quintana.....	Cebu.
Zatagoza.....	Sail.....	71.73	170933	Esteban Riu.....	Manila.
Zatagoza.....	do.....	7.45	171193	Marchana Galves.....	Cebu.

APPENDIX C3.

SUPPLEMENTAL LIST OF VESSELS TO WHICH CERTIFICATES OF PROTECTION HAVE BEEN ISSUED SINCE PUBLICATION OF THE SECOND SPECIAL REPORT.

Following is a list of vessels to which certificates of protection have been issued since publication of the list contained in the special report of the collector of customs for the Philippine Islands in 1903. This list, taken in connection with the former list, gives all the vessels holding certificates of protection in the Philippine Islands.

Name.	Fig.	Ton- nage.	Year when built.	Where built.	Home port.
Amalia.....	Gasoline steam launch.	2.90	1903	Hongkong.....	Manila.
Anita.....	Sail	88.00	1894	United States.....	Do.
Aurelia.....	Steamer.....	51.13	1900	Singapore.....	Do.
Adela.....	Sail.....	4.41	1903	Sicaba Negros.....	Iloilo.
Abaqueta.....	do.....	2.72	1903	Tuburan, Cebu.....	Cebu.
Acuesta.....	do.....	5.26	1903	Masbate.....	Do.
Acera.....	do.....	2.24	1903	Bohol.....	Do.
Ablasa.....	do.....	7.70	1904	Mindanao.....	Do.
Agoy.....	do.....	3.96	1904	Bohol.....	Do.
Agoho.....	Boat.....	5.02	1904	Hongkong.....	Do.
Agustin.....	Sail.....	3.54	1903	Bohol.....	Do.
Alegria.....	do.....	7.12	1903	do.....	Do.
Allego.....	do.....	2.44	1898	Tuburan, Cebu.....	Do.
Alejo.....	do.....	2.89	1901	Masbate.....	Do.
Alfonso.....	do.....	4.72	1900	Leyte.....	Do.
Anastacia.....	do.....	1.58	1897	do.....	Do.
Apostol.....	do.....	1.99	1897	do.....	Do.
Antoni.....	do.....	5.73	1903	Talisay Negros.....	Iloilo.
Ascencion.....	do.....	4.17	1901	Bohol.....	Cebu.
Apolonia.....	do.....	6.21	1896	Negros.....	Do.
Angela.....	do.....	34.53	1903	San Carlos.....	Iloilo.
Arcento.....	do.....	9.38	1903	Cebu.....	Cebu.
Aurelio.....	do.....	11.31	1903	do.....	Do.
Atansuda.....	do.....	3.26	1903	Bohol.....	Do.
Angelita.....	do.....	6.62	1904	Jolo.....	Jolo.
Asuncion.....	do.....	2.54	1901	Capiz.....	Iloilo.
Aselma.....	do.....	10.61	1903	Bohol.....	Cebu.
Aniceto II.....	do.....	3.29	1903	do.....	Do.
Arenal.....	do.....	6.79	1904	Cebu.....	Do.
Aseo.....	Boat.....	5.39	1903	Hongkong.....	Do.
Ampang.....	Sail.....	2.93	1896	Bongao.....	Zamboanga.
Anasi.....	do.....	4.11	1898	Tawi-Tawi.....	Do.
Bolnino.....	do.....	16.28	1903	Philippine Islands.....	Manila.
Bonita.....	do.....	5.06	1904	Hongkong.....	Do.
Breadwinner.....	do.....	16.79	1903	Philippine Islands.....	Do.
Buena Suerte.....	do.....	22.23	1904	do.....	Do.
Bagasbas.....	do.....	3.84	1903	Bohol.....	Cebu.
Banilla.....	do.....	1.89	1903	do.....	Do.
Batoigas.....	do.....	4.32	1903	Negros.....	Do.
Bisucay.....	do.....	4.60	1896	Bisucay.....	Iloilo.
Bayanan.....	do.....	2.22	1901	Negros.....	Do.
Buenviaje.....	do.....	5.37	1903	do.....	Do.
Buenconcejo.....	do.....	6.23	1903	do.....	Do.
Buena.....	do.....	3.83	1902	Bohol.....	Cebu.
Binalbagan.....	do.....	24.75	1903	Iloilo.....	Iloilo.
Bohol.....	do.....	2.29	1902	Bohol.....	Cebu.
Barugo.....	Champaña.....	19.64	1903	Hongkong.....	Do.
Bogo.....	Sail.....	4.49	1903	Cebu.....	Do.
Barilea.....	do.....	5.75	1903	Negros.....	Do.
Boaqueña.....	do.....	4.77	1903	Bohol.....	Do.
Ballon.....	do.....	4.87	1903	do.....	Do.
Bagnol.....	do.....	4.02	1903	do.....	Do.
Burgos.....	do.....	6.33	1902	do.....	Do.
Bunceli.....	do.....	1.86	1903	Leyte.....	Do.
Bastasa.....	do.....	2.04	1900	Bohol.....	Do.
Belmonte.....	do.....	11.67	1903	Negros.....	Do.
Balatayo.....	do.....	3.88	1904	Bohol.....	Do.
Bunguio.....	do.....	7.55	1901	Mindanao.....	Jolo.
Balabac.....	do.....	10.42	1901	Marangas.....	Balabac.
Bongao No. III.....	do.....	5.50	1903	Philippine Islands.....	Bongao.
Boring Land.....	do.....	6.00	1894	do.....	Do.
Basac.....	do.....	7.17	1890	do.....	Do.
Bacsa Boboo.....	do.....	7.43	1894	do.....	Do.
Bitola.....	do.....	3.72	1897	Samar.....	Cebu.
Carmelita.....	do.....	16.45	1904	Philippine Islands.....	Manila.
Cosmopolita.....	Steam launch.....	61.48	1903	Hongkong.....	Do.
Cabuguanan.....	Sail.....	6.28	1903	Negros.....	Cebu.
Camotes.....	do.....	3.22	1903	Camotes Island.....	Do.
Carmelo.....	do.....	4.72	1903	Siquijor Island.....	Do.

APPENDIX C-3.—*Supplemental list of vessels to which certificates of protection have been issued since publication of the second special report—Continued.*

Name.	Rig.	Tonnage.	Year when built.	Where built.	Home port.
Cartagena	Sail	111.87	1898	Daan Bantayan	Hilo.
Carifosa	do.	1.72	1898	Hongkong	Cebu.
Carigara	Champaña	21.72	1893	Bohol	Do.
Cajaro	Sail	5.51	1893	do.	Do.
Carmela II.	do.	3.88	1904	Mindanao	Do.
Calderon	do.	5.80	1901	Bohol	Do.
Cagaasuan	do.	9.98	1903	Jolo	Jolo.
Cagundahan	do.	6.28	1903	Leyte	Do.
Catalina	do.	7.21	1902	Bohol	Do.
Catalina	do.	1.68	1903	Dayatuan	Hilo.
Catalina	do.	7.73	1903	Leyte	Cebu.
Cabalian	do.	21.90	1901	Philippine Islands	Bongao.
C. Umus	do.	7.75	1897	do.	Do.
Campanit	do.	10.16	1895	Bohol	Cebu.
Camacho	do.	2.41	1893	do.	Do.
Ceferino	do.	5.73	1895	Negros	Do.
Clemencia	do.	3.75	1903	Bohol	Hilo.
Clavano	do.	1.77	1903	do.	Cebu.
Chapano	do.	2.00	1903	do.	Do.
Company	do.	4.81	1902	do.	Do.
Conant	do.	6.95	1903	Cebu	Do.
Consuelo	do.	2.78	1900	Negros	Hilo.
Corazon de Maria	do.	9.67	1903	Cebu	Do.
Corpus Christi	do.	5.99	1901	do.	Do.
Corazon de Jesus	do.	15.13	1903	Leyte	Do.
Conchita	do.	17.88	1904	Negros	Do.
Conchita	do.	4.65	1901	Bohol	Do.
Cuarteroia	Sloop	4.94	1903	Hongkong	Cebu.
Culashan	Sail	6.71	1898	Culashan	Balabac.
Cuyson	do.	14.70	1902	Cebu	Cebu.
Cusco Lizarraga	Cusco	56.83	1903	Hilo	Do.
Dos Hermanos	Sail	10.67	1903	Negros	Hilo.
Deja	do.	5.51	1903	Panay	Cebu.
Dos Hermanos	do.	6.95	1903	Negros	Hilo.
Damajuana	Sloop	5.23	1903	Hongkong	Cebu.
Dos Amigos	Sail	13.82	1901	Negros	Do.
De Gracia	do.	5.43	1903	Mactan	Do.
Diabella	do.	4.94	1893	Bantayan	Do.
De la Flor	do.	4.34	1900	Cebu	Do.
De Buenas	do.	13.24	1904	Bohol	Do.
Del Remedio	do.	3.95	1902	do.	Do.
Delicia	do.	34.70	1890	Albay	Zamboanga.
Danisanon	do.	5.42	1903	Bohol	Cebu.
Duncanang	do.	5.30	1897	Philippine Islands	
Dagil	do.	3.54	1900	Telaksangai	Zamboanga.
Estrella del Mar	do.	6.71	1903	Philippine Islands	Manila.
Elita	do.	10.36	1904	Negros	Hilo.
El Moro	do.	2.42	1903	Bantayan	Cebu.
El Desamparado	do.	2.64	1903	Cebu	Do.
Elisa	do.	12.65	1903	Negros	Hilo.
Emuy	Punt	16.03	1903	Hongkong	Cebu.
Enero	Sail	9.28	1903	Bohol	Do.
Enrique Araneta	do.	4.38	1903	Negros	Hilo.
Episodio	do.	8.78	1903	do.	Do.
Esperanza	do.	20.81	1903	do.	Cebu.
Esperancilla	do.	3.08	1903	do.	Hilo.
Euskara	do.	67.72	1901	do.	Do.
Fani	do.	21.02	1900	Philippine Islands	Manila.
Floeripida	do.	8.85	1902	do.	Do.
Fuzzie	Steam launch	20.84	1904	Hongkong	Do.
Fannie	do.	8.46	1902	do.	Hilo.
Falcon	Sail	2.68	1900	Bohol	Cebu.
Famosa	do.	5.23	1904	do.	Do.
Felipe	do.	2.70	1903	Cebu	Do.
Ferrer II	do.	1.69	1903	Bohol	Do.
Felizberto	do.	7.23	1903	Negros	Hilo.
Fernan	do.	3.51	1895	Bantayan	Do.
Fidel	do.	11.07	1903	Bohol	Cebu.
Filomena	do.	18.80	1899	Hilo	Hilo.
Florentina	do.	4.31	1901	Panay	Do.
Flores	do.	2.72	1903	Bohol	Cebu.
Florin	do.	1.05	1904	do.	Hilo.
Francisco B.	do.	6.61	1900	Taytay	Do.
Francisco	do.	7.56	1903	Bayanan	Do.
Francisco	do.	2.03	1904	Santa Fe	Cebu.
Francisco	do.	7.92	1903	Negros	Do.
Gimena	do.	11.34	1902	Philippine Islands	Manila.
Gavilan	do.	15.16	1903	Bohol	Do.
Gloria	do.	5.93	1895	Leyte	Cebu.
Godoy	do.	5.36	1903	Negros	Do.

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APPENDIX C-3.—Supplemental list of vessels to which certificates of protection have been issued since publication of the second special report—Continued.

Name.	Rig.	Ton- nage.	Year when built.	Where built.	Home port.
Gonzaga	Sail	4.19	1903	Bohol	Cebu.
Gertrudes III	do	4.98	1903	do	Do.
Gordello	do	2.44	1903	do	Do.
Gilagila	do	5.23	1902	Jolo	Jolo.
Giloveva	do	8.38	1904	Panay	Iloilo.
Guzman	do	14.43	1903	Leyte	Cebu.
Guia	do	3.68	1903	Panay	Iloilo.
Guadalupe	do	5.35	1898	Bohol	Cebu.
Harina	do	2.92	1889	Bantayan	Do.
Hermelita	do	2.64	1901	do	Do.
Habibon	do	4.17	1903	Mindanao	Zamboanga.
Homobono	do	6.94	1903	Negros	Cebu.
Hinojales	do	6.94	1901	do	Iloilo.
Hula	do	2.79	1903	Jolo	Jolo.
Igualdad	do	6.20	1903	Negros	Iloilo.
Inuit	do	6.76	1900	Jolo	Jolo.
Ines	do	7.12	1900	Panay	Iloilo.
Ipong	do	3.62	1901	Bohol	Do.
Irinea	do	2.74	1903	Panay	Do.
Isla de Negros	do	3.75	1900	Negros	Cebu.
J. Rodriguez	do	8.16	1902	Philippine Islands	Manila.
Jesus	Steamer	524.81	1903	do	Do.
Julian	Sail	6.95	1902	do	Do.
Jupiter	do	2.16	1903	do	Do.
James J.	Lighter	76.44	1904	Hongkong.	Cebu.
Juliana	Punt	19.32	1903	do	Do.
Jatine	Sail	4.94	1903	Cebu	Iloilo.
Juarez	do	3.45	1901	Negros	Cebu.
Jacinto	do	8.56	1903	do	Do.
Juna	do	4.36	1904	Cebu	Zamboanga.
Kagman	do	2.66	1902	Zamboanga	Bongao.
Kintamani	do	4.20	1890	do	Jolo.
Koeska	do	5.00	1903	Jolo	Do.
La-loc	do	11.67	1903	do	Manila.
La Paz	do	5.57	1903	Scotland	Do.
Laura	Steamer	367.65	1901	Philippine Islands	Do.
Lizzie	Sail	63.79	1903	do	Do.
Los Hermanos	do	36.75	1904	do	Do.
Lourdes	do	18.83	1904	do	Do.
Lila	do	47.32	1903	Bohol	Cebu.
Loaynon	do	16.12	1903	Panay	Iloilo.
Laya	do	19.90	1903	Bohol	Cebu.
Leonora	do	3.52	1902	do	Do.
Leyteño	do	1.95	1903	do	Do.
La Eleccion	do	2.37	1903	do	Do.
Lo Luca	do	24.48	1902	Leyte	Iloilo.
Lucio	Casco	21.12	1903	Negros	Do.
Lizarraga	Sail	51.11	1904	do	Cebu.
Leon	do	7.87	1903	Misamis	Do.
Lucero	do	56.83	1903	Panay	Do.
Libranos	do	3.12	1903	Bohol	Do.
Lahok	do	6.91	1904	do	Do.
La Paz	do	8.29	1904	do	Do.
Labuyoh	do	5.80	1904	Siasi	Jolo.
Lanas	do	4.69	1904	Bohol	Iloilo.
Lourdes	do	6.00	1898	Bongao	Bongao.
Landugan	do	5.34	1896	do	Do.
Libertad	do	10.96	1901	Capiz	Iloilo.
Lighter No. 1	do	7.53	1903	Jolo	Jolo.
Laureto	Schooner	12.14	1903	Bohol	Cebu.
Layas	Lanchon	18.29	1902	Hongkong.	Do.
Lami	Sail	13.63	1903	Cebu	Do.
M. D. Montserrat	do	3.58	1901	Mindanao	Zamboanga.
Maria Colonia	do	5.77	1899	do	Do.
Maria Concepcion	do	29.64	1903	Philippine Islands	Manila.
Maria Magdalena	do	54.27	1904	do	Do.
Maritima	do	8.47	1901	do	Do.
Marte	do	13.43	1903	do	Do.
Mayflower	do	5.14	1903	do	Do.
Maria	Lighter	64.45	1904	Hongkong.	Do.
Marcela	Sail	15.95	1903	Philippine Islands	Cebu.
Maxilon	do	16.19	1903	Tacloban	Iloilo.
Maquigfalt	Schooner	8.83	1901	Panay	Cebu.
Mercurio	do	2.91	1903	Cebu	Do.
Marcelo	do	17.67	1885	do	Do.
Miligoy	do	1.64	1903	Bohol	Do.
Matulin	do	3.44	1903	Cebu	Do.
Maria Salvacion	do	5.15	1903	do	Do.
Matabalan	do	6.31	1903	Mindanao	Jolo.
	do	3.93	1903	Mastate	Iloilo.
	do	3.90	1903	Bohol	Cebu.

APPENDIX C-3.—*Supplemental list of vessels to which certificates of protection have been issued since publication of the second special report—Continued.*

Name.	Rig.	Tonnage.	Year when built.	Where built.	Home port.
Magdalena	Sail	3.13	1903	Leyte	Cebu.
Mambajao	do.	5.12	1903	Hongkong	Do.
Mauing	do.	4.22	1903	Negros	Do.
Masturka	do.	15.49	1904	Masbate	Do.
Medellin	do.	1.55	1903	Leyte	Do.
Maningo	do.	2.81	1899	Cebu	Do.
Maria Socorro	do.	7.10	1904	Negros	Iloilo.
Montaña	do.	3.86	1904	do.	Do.
Maricaban	do.	2.36	1904	do.	Cebu.
Macatagel	do.	16.18	1900	Mindanao	Zamboanga.
Masbate	do.	3.44	1904	Masbate	Iloilo.
Manzanias	do.	28.00	1904	Leyte	Cebu.
Marina	do.	6.98	1904	Negros	Do.
Mahinay	do.	2.91	1892	Masbate	Do.
Mahapi	do.	4.11	1904	Mindanao	Zamboanga.
Maria	do.	4.46	1903	do.	Do.
Mahomed	do.	4.43	1890	do.	Do.
Manacayan	do.	4.26	1898	do.	Do.
Matdin	do.	3.09	1902	do.	Do.
Mahomed Nana	do.	4.40	1903	do.	Do.
N. S. de Lourdes	do.	315.18	1903	Philippine Islands	Manila.
N. S. de la Paz	do.	16.65	1899	do.	Do.
Nena	Steam launch	51.00	1903	Hongkong	Do.
Nalzaro	Sail	2.29	1903	Bohol	Cebu.
Nahurah	do.	2.91	1904	Mindanao	Zamboanga
Neptune	do.	48.44	1903	Sandakan	Do.
Nicanor	do.	2.51	1903	Masbate	Iloilo.
N. S. de Mananag	do.	7.24	1903	Aparri	Aparri.
N. S. de Salvacion	Schooner	15.98	1900	Tacloban	Cebu.
N. S. de Luz	Sail	1.87	1903	Panay	Iloilo.
N. S. del Carmen	do.	76.32	1903	Negros	Do.
San Lorenzo	do.	4.29	1903	do.	Cebu.
N. S. del Socorro	do.	9.35	1904	do.	Iloilo.
Ofativia	do.	22.50	1903	Aparri	Aparri.
Opada	do.	1.56	1903	Bohol	Cebu.
Opada	do.	2.10	1904	do.	Do.
Once Hermanos	do.	2.45	1904	do.	Do.
Oppos	do.	3.08	1904	do.	Do.
P. Reyes	Steam launch	53.51	1903	Hongkong	Manila.
Patriarca S. Jose	Sail	15.37	1903	Philippine Islands	Do.
Patriarca S. Jose	do.	76.59	1902	do.	Do.
Pearl	do.	20.63	1903	Hongkong	Do.
Perla	do.	23.32	1903	Philippine Islands	Do.
Paque	do.	6.66	1903	Panay	Iloilo.
Patrocinio	do.	8.89	1901	Mindanao	Cebu.
Pajaro	do.	12.38	1898	Bohol	Do.
Pastorel	do.	4.55	1903	do.	Do.
Peñasuerte	do.	6.28	1903	Aparri	Aparri.
Parrilla	do.	2.49	1902	Bohol	Cebu.
Pangapasan	do.	4.18	1900	Cebu	Do.
Paco	do.	7.59	1901	Mindanao	Zamboanga
Pepin	do.	1.58	1901	Cebu	Cebu.
Peña	do.	2.36	1904	Bohol	Iloilo.
Petra Taguli	do.	3.20	1903	do.	Cebu.
Padusmog	do.	3.02	1901	Cebu	Do.
Pañang	do.	5.53	1904	Bohol	Do.
Patricio	do.	3.39	1904	Negros	Iloilo.
Pilarica	do.	58.81	1904	do.	Do.
Placido	do.	4.76	1904	do.	Cebu.
Potenciana	do.	4.52	1903	do.	Do.
Pronto	Punt	16.46	1903	Hongkong	Do.
Prueba	Schooner	16.12	1881	Luzon	Do.
Purissima Concepcion	Sail	56.33	1903	Negros	Iloilo.
Purificacion	do.	6.70	1903	Masbate	Do.
Quiliquili	do.	1.64	1903	Bohol	Cebu.
Ramoncito	do.	98.89	1904	Philippine Islands	Manila.
Robert K.	Steamer	322.51	1904	Japan	Do.
Rabina	Sail	3.13	1902	Cebu	Do.
Ramona	do.	47.71	1903	Panay	Iloilo.
Real	do.	2.81	1900	Cebu	Cebu.
Redulla	do.	11.76	1903	Bohol	Do.
Regadera	Sloop	14.48	1903	Hongkong	Do.
Regocio	Sail	4.17	1904	Bohol	Do.
Ricafort	do.	6.16	1903	do.	Do.
Romana	do.	3.65	1903	Cebu	Do.
Rocallosas	do.	6.06	1901	Panay	Do.
Rustico	do.	3.03	1903	Cebu	Do.
Rosa	Steamer	101.76	1901	Hongkong	Do.
Romanos	Sail	3.74	1903	Bohol	Do.
Rudcindo	do.	3.36	1903	Cebu	Do.

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APPENDIX C-3.—*Supplemental list of vessels to which certificates of protection have been issued since publication of the second special report—Continued.*

Name.	Rig.	Ton- nage.	Year when built.	Where built.	Home port.
Rusa	Sail	7.45	1903	Mindanao	Zamboanga.
Rosario	do	2.12	1903	Bohol	Iloilo.
Riarte	do	1.25	1902	Cebu	Do.
Rosario	do	7.68	1904	Negros	Do.
San Antonio	do	17.02	1903	Philippine Islands	Manila.
San Antonio	do	22.64	1903	do	Do.
San Antonio	do	16.36	1903	do	Do.
San Francisco	do	18.02	1903	do	Do.
San Jose	do	7.11	1902	do	Do.
San Jose	do	6.28	1904	do	Do.
San Juan	do	18.23	1904	do	Do.
San Pedro	do	22.46	1904	do	Do.
San Rafael	do	6.49	1904	do	Do.
San Roque	do	48.74	1903	do	Do.
San Vicente	do	9.82	1900	do	Do.
Santa Maria	do	33.30	1904	do	Do.
Santa Maria	do	11.90	1901	do	Do.
San Miguel	do	5.48	1900	do	Do.
Santa Monica	do	6.06	1904	do	Do.
Santa Ines	do	6.96	1904	do	Do.
Santisima	do	17.42	1904	do	Do.
Santisima Trinidad	do	6.22	1903	do	Do.
Santo Niño	do	14.24	1902	do	Do.
Santiago	do	20.55	1904	do	Do.
Socorro	do	75.26	1903	do	Do.
Soledad	do	4.73	1903	Bohol	Cebu.
Salera	do	12.76	1901	Panay	Iloilo.
Salvacion	do	8.84	1900	Sydney, Australia	Jolo.
Sapphire	do	5.06	1903	Aparrí	Aparrí.
San Juan	do	4.29	1903	Panay	Iloilo.
San Lorenzo	do	7.53	1901	Capiz	Do.
Santa Rosita	do	2.70	1903	Cebu	Cebu.
San Salvador	do	1.79	1902	Samar	Do.
Santiago	do	28.59	1903	Leyte	Do.
Santa Clara	do	2.96	1900	do	Do.
San Antonio	do	5.06	1900	do	Do.
Santa Catalina	do	15.81	1903	Bohol	Aparrí.
San Felipe	do	6.15	1903	Aparrí	Iloilo.
Santa Elena	do	8.64	1903	Panay	Cebu.
San Rafael	do	85.59	1902	Hongkong	Do.
San Basilio	Steamer	4.79	1903	Cebu	Aparrí.
Santa Monica	Sail	39.57	1903	Aparrí	Iloilo.
San Vicente	do	2.68	1903	Negros	Cebu.
San Ramon	do	9.86	1903	Cebu	Iloilo.
San José	do	4.40	1903	Bohol	Do.
Sibonga	do	16.30	1903	Negros	Do.
Sixto	do	6.07	1903	Masbate	Zamboanga.
Salvador	do	5.66	1903	Chicago, U. S.	Iloilo.
Sibugay	Steamer	47.61	1903	Panay	Do.
San Juan	Sail	10.41	1903	Negros	Cebu.
Seneca	Schooner	30.37	1903	Panay	Jolo.
Sari Custom	Sail	6.59	1903	Mindanao	Iloilo.
Salvadora N.	do	1.97	1903	Negros	Cebu.
San Pedro	Cargo	28.14	1888	Luzon	Do.
San Juan	do	26.42	1888	do	Do.
San Juan	Sail	7.27	1902	Cebu	Do.
San Juan	do	3.44	1903	Negros	Do.
San Rafael	do	1.66	1903	Bohol	Do.
San Agustin	do	3.12	1902	Leyte	Iloilo.
San Pedro	do	2.98	1902	Panay	Do.
Santiago	do	5.06	1904	Negros	Do.
Santo Domingo	do	38.50	1904	Panay	Jolo.
Salvadora	do	7.01	1902	Mindanao	Bongao.
Sumuga	do	1.96	1888	do	Jolo.
Sitanki	do	5.50	1903	do	Bahabac.
Simunul	do	8.07	1900	do	Iloilo.
San Benito	do	5.11	1901	Capiz	Cebu.
San Juan	do	13.60	1902	Mindanao	Do.
Santiago I.	do	1.95	1903	Bohol	Do.
Sombrio	do	5.38	1898	Mindanao	Do.
Solay	do	2.87	1904	Bohol	Do.
San Gregorio	do	4.43	1904	Negros	Do.
Salvacion	do	90.27	1904	Japan	Do.
San Rafael II	Steamer	9.02	1904	Bohol	Do.
Salvar	Sail	9.02	1901	Leyte	Do.
Serapio II	do	2.49	1904	Bohol	Bongao.
Salvador	do	5.63	1896	Philippine Islands	Jolo.
Supig Kasanagan	do	8.57	1901	Mindanao	
Tanduan	do				

APPENDIX C-3.—Supplemental list of vessels to which certificates of protection have been issued since publication of the second special report—Continued.

Name.	Rig.	Tonnage.	Year when built.	Where built.	Home port.
Tavito.....	Sail.....	4.04	1903	Negros.....	Cebu.
Telesforo.....	do.....	5.16	1904	Bohol.....	Do.
Teodora.....	do.....	2.23	1903	do.....	Do.
Tigues.....	do.....	6.32	1902	do.....	Do.
Tinago.....	do.....	23.53	1903	Cebu.....	Do.
Tinapay.....	do.....	5.01	1903	Negros.....	Do.
Timbok Campong.....	do.....	5.69	1898	Mindanao.....	Balabac.
Tres Hermanas.....	do.....	10.57	1901	Panay.....	Hoilo.
Togonon.....	do.....	2.72	1904	Leyte.....	Cebu.
Triunfo.....	do.....	4.87	1903	Mindanao.....	Do.
Ugab.....	do.....	6.67	1903	Bohol.....	Do.
Usap.....	do.....	3.48	1899	Mindanao.....	Zamboanga.
Visitacion.....	do.....	5.61	1903	Philippine Islands.....	Manila.
Vasques.....	Schooner.....	13.12	1903	Samar.....	Cebu.
Vencedora.....	Sail.....	3.57	1902	Panay.....	Hoilo.
Vendejo.....	do.....	9.50	1904	Bohol.....	Cebu.
Victoria.....	do.....	2.55	1903	Cebu.....	Do.
Visitacion.....	do.....	5.61	1903	Aparri.....	Aparri.
Virgen de la Paz.....	do.....	3.64	1903	Cebu.....	Cebu.
Vitotilla.....	do.....	1.49	1903	Leyte.....	Do.
Vito.....	do.....	4.14	1903	Negros.....	Do.
Yluminada.....	do.....	3.05	1903	Bohol.....	Do.
Ysabel II.....	do.....	2.68	1903	Cebu.....	Do.
Ybañez.....	do.....	2.82	1903	do.....	Do.
Ysabela.....	Steamer.....	125.80	1893	Hongkong.....	Do.
Ysiung.....	Sail.....	4.23	1904	Cebu.....	Do.
Ypau.....	do.....	1.43	1898	Samar.....	Do.

APPENDIX D.

PUBLISHING PARTS OF THE INTERNAL-REVENUE LAW OF 1904, WITH TEMPORARY RULES FOR THE COLLECTION OF THE TAX ON IMPORTED MATCHES, AND DESIGNATING CERTAIN CUSTOMS OFFICERS AS INTERNAL-REVENUE COLLECTORS FOR THAT PURPOSE.

OFFICE OF THE COLLECTOR OF CUSTOMS
FOR THE PHILIPPINE ISLANDS,
Manila, August 5, 1904.

CUSTOMS ADMINISTRATIVE CIRCULAR NO. 334.

To all Collectors of Customs:

PARAGRAPH I. The following letter from the insular collector of internal revenue is published for the information and guidance of all concerned:

"AUGUST 1, 1904.

"MR. W. MORGAN SHUSTER,

Collector of Customs for the Philippine Islands, Manila, P. I.

"SIR: Under the provisions of the internal-revenue law of 1904 all matches imported into the Philippine Islands are made subject to the same internal-revenue tax as is imposed on matches of domestic manufacture, and in accordance with the provisions of sections 108 and 109 of the internal-revenue law I would respectfully ask that the taxes imposed in said law be collected by such officers as you may designate in the various ports of entry.

"By the provisions of section 152 of the internal-revenue law the collector of the internal revenue is authorized to make temporary regulations for the collection of the taxes pending the preparation of the invoice books and revenue stamps. In accordance with said provision of law this office has issued a circular to all internal-revenue officers, and I have the honor of sending you herewith a dozen copies of said circular in English, and the same number in Spanish, together with an equal number of copies of the internal-revenue law in both languages.

"The tax should be collected on all matches imported into the Philippine Islands on and after August 1, 1904, and the tax should be paid before the removal of the matches from the customs-house of the port of entry. Matches arriving at any port of entry before August 1, 1904, should not be taxed, even if they are not removed until after that date.

"The internal-revenue stamps will be ready for distribution some time this month, and instructions will then be issued for the affixture and cancellation of a sufficient amount of such stamps on official invoices in payment of the taxes collected up to the time of such issue.

"Very respectfully,

"JNO. S. HORD,

"Collector of Internal Revenue."

PAR. II. The sections of act No. 1189 (The internal-revenue law of nineteen hundred and four), referred to in Paragraph I, are as follows:

"SEC. 108. On all matches, whether safety, sulphur, or friction matches or fusees, of whatever material made or by whatever name known, which are manufactured or partially manufactured in the Philippine Islands, or which are imported from other countries for domestic sale or consumption, there shall be levied and collected a tax of forty centavos on each gross of boxes containing not more than one hundred and twenty sticks to the box; and there shall be levied and collected on each gross of boxes containing over one hundred and twenty sticks to the box a proportionate additional tax.

"SEC. 109. The taxes imposed in this article on matches imported from other countries for domestic sale or consumption in the Philippine Islands shall be collected and the proceeds thereof accounted for by such customs employee or employees as may be designated in the various ports by the collector of customs, and under such rules and regulations as may be prescribed by the collector of internal revenue. The proceeds of such taxes shall be accounted for as internal revenue, and not as customs receipts.

"SEC. 152. Until the collector of internal revenue shall have the proper books, stamps, and forms ready for distribution, the methods provided for the administration of this act shall not be required; and he is empowered to make such temporary regulations and arrangements for the collection of the taxes imposed by this act as will not unduly embarrass or interrupt the business of the persons affected thereby."

PAR. III. The following extracts from the circular of instructions referred to in paragraph 1 (Internal Revenue Circular No. 1) are also published:

"9. (a) The taxes on matches will be assessed on the number of gross manufactured in the Philippine Islands and removed for domestic sale or consumption, using as a basis the average number of individual matches in each box; thus, any number of sticks up to and including one hundred and twenty to a box will be assessed at forty centavos per gross of boxes; one hundred and twenty-one sticks to a box will be assessed at forty and one-third centavos per gross of boxes; one hundred and twenty-three sticks to a box will be assessed at forty-one centavos per gross of boxes; two hundred and forty sticks to a box will be assessed at eighty centavos per gross of boxes.

"(b) Matches imported from other countries for domestic sale or consumption in the Philippine Islands are, under the provisions of sections one hundred and eight and one hundred and nine, made subject to the same taxes as are imposed on matches manufactured in the Philippine Islands for domestic sale or consumption. The taxes on imported matches will be assessed and collected by customs officers, to be designated by the collector of customs for the Philippine Islands. The assessment of this tax will be made in the manner provided in subdivision (a) of this paragraph for the assessment of taxes on matches manufactured in the Philippine Islands, and the taxes on imported matches will be paid before they are delivered to the importer or removed from the customs warehouse."

PAR. IV. Collectors of customs at the ports of entry in these islands are hereby severally designated to act as internal-revenue agents for the collection of internal-revenue taxes on matches imported from foreign countries at their respective ports. At ports having bonded cashiers the actual receipt of internal-revenue taxes on matches shall be in the hands of such cashiers, under the supervision of the collector of customs.

PAR. V. Collections at Manila shall be made under the supervision of the insular special deputy collector of customs.

PAR. VI. As will be noted, the permanent mode of collecting the tax will be by means of an invoice made out by the importer and bearing the requisite amount of stamps. When stamps are available full detailed instructions for their use will be promulgated, pending which date the following temporary rule shall be observed:

PAR. VII. Importers of matches shall present with each customs entry therefor a separate additional statement, in *triplicate*, showing the number of boxes imported, the brand, country of origin, name of importing vessel, and average number of sticks per box. This statement shall be prepared and signed by the importer, and be given a serial number and verified by the appraiser of the port. The verified statement shall be the basis of the assessment of internal-revenue taxes by the liquidating officer.

PAR. VIII. This statement shall be substantially in the following form:

SERIAL NO.

INTERNAL REVENUE STATEMENT.

MATCHES.

The undersigned has imported at the port of.....
the goods described below, upon the S. S., Reg. No.
arriving..... from....., country of origin of the
goods being....., the same being entered (or withdrawn) for con-
sumption on Consumption Entry No., herewith.

Marks.	Number of cases.	Amount and brand.	Gross of boxes.	Average sticks per box.	Rate.	Amount.

Total tax.

The above is in all respects a true and accurate account of said importation, to the best of my knowl-
edge and belief.

Verified and found correct except as follows:

Importer.

Approved:

Examiner.

Liquidated and found correct:

Appraiser.

Received from importer the sum of.....

Liquidator.

in full of the above internal-revenue taxes, this..... day of....., 1904.

Customs Cashier (or Collector).

A duplicate copy of this form, when completed, shall, in every instance, be returned to the importer
as a receipt, and no other receipts for internal-revenue taxes shall be given. The remaining two copies
shall be held by the collecting officer.

PAR. IX. All receipts of money on accounts of internal revenue shall be held as special
deposits in the hands of the receiving officers above designated, and shall not be deposited to
the account of customs funds.

PAR. X. Any importer who is dissatisfied on account of internal-revenue taxes may pay
the same under protest and within ten days thereafter appeal to the collector of internal
revenue. In such cases collectors of customs shall not decide the case, but shall forward the
appeal, together with a detailed statement of the facts in the case, to the insular collector of
internal revenue, through the office of the insular collector of customs. If in one protest
the importers should seek to question both the internal-revenue taxes and the customs
duties, the collector shall: (1) If protest is received within the time for customs protests,
immediately require the importer to make a new appeal on the question of internal-revenue
taxes, to be forwarded as above directed: (2) if the protest is received too late to be con-
sidered as a customs protest, it shall be forwarded as an internal-revenue appeal, and the
importer notified of the action taken and the reason therefor. All statements of facts for-
warded by collectors shall clearly indicate the date on which the internal-revenue payment
was made and the date the appeal was received, and in addition the appeal itself shall be
stamped or marked with the date of its receipt. Payment of the amounts found due by a
collector of customs, acting as an internal-revenue agent, is an absolute prerequisite to the
possession of the goods and the right to appeal.

PAR. XI. No internal-revenue taxes shall be assessed on goods entered for warehouse
unless and until they are withdrawn therefrom for consumption in these islands.

PAR. XII. Philippine customs officers shall give due publicity to the terms of this circular.

W. MORGAN SHUSTER,

Collector of Customs for the Philippine Islands.

APPENDIX E.

REGULATIONS FOR THE DIVISION OF SPECIAL AGENTS OF THE PHILIPPINE CUSTOMS SERVICE.

OFFICE OF THE COLLECTOR OF CUSTOMS
FOR THE PHILIPPINE ISLANDS,
Manila, September 1, 1903.

MANILA CUSTOM-HOUSE SPECIAL ORDER No. 104.

PARAGRAPH I. Special agents of the Philippine customs service are appointed under law for the purpose of making examinations of the books, papers, and accounts of collectors and other officers of the customs, and are to be employed generally under the direction of the insular collector in the prevention and detection of frauds on the customs revenue as contemplated by section 374 of act No. 355 of the Philippine Commission.

PAR. II. Special agents engaged in the investigation of frauds or attempted frauds upon the government, or misconduct on the part of a customs officer, are empowered to administer oaths to witnesses, and they are authorized to make arrest of persons and searches and seizures of property in the prevention and detection of violation of the revenue and collateral laws.

PAR. III. For purpose of ascertaining whether customs business is properly transacted, and the public moneys duly collected and accounted for, the books, papers, and accounts of collectors and other customs officers within each collection district shall be carefully and thoroughly examined, and the balances of collecting and disbursing officers verified by the special agents assigned by the insular collector of customs for the work, according to the provisions of Executive Orders Nos. 21 and 58, as published in Manila custom-house Special Orders Nos. 85 and 96, and as soon as possible after the close of each fiscal year. Special, detailed, and partial examinations shall be made as often as circumstances may require, and collectors and all other officers of customs shall at all times submit their books, papers, and accounts to the inspection of a duly authorized special agent.

PAR. IV. In order to detect and prevent fraud upon the revenue, special agents shall give careful attention:

- (1) To undervaluation in entries of dutiable goods.
- (2) To false declarations of weights and quantities in entries of dutiable goods.
- (3) To the matter of maintaining uniformity in classifications of identical merchandise at the several ports.
- (4) To the smuggling of valuable merchandise.
- (5) To the warehousing of goods.
- (6) To withdrawals in bond from public stores and bonded warehouses.
- (7) To transportation and exportation of goods in bond.
- (8) To the exportation of dutiable merchandise.
- (9) To the certification of refundable export duties.
- (10) To the matter of drawbacks on coal used on board coastwise steamers.

PAR. V. To detect undervaluations they shall frequently examine the entries and invoices of merchandise that bear an ad valorem rate of duty filed in the custom-house, compare them with the price lists, trade circulars, special reports, and other documentary information in possession of the appraisers, and consult appraisers and reputable importers with respect to grades and actual value.

PAR. VI. In the detection of smuggling they shall frequently visit importing vessels, and note the precautions taken against the fraudulent landing of goods, take notice of the manner in which the duties of boarding inbound vessels by inspectors and patrolling districts by customs cutters are performed, make occasional comparisons between vessels' manifests and entries of goods to see that cargoes are accounted for either by entry or sale as unclaimed, and, in conjunction with the postal authorities, examine into the subject of smuggling through the mail.

PAR. VII. With regard to possible fraud in warehousing of goods they shall inspect the warehouses to see whether they are secure against the secret removal of goods, verify the alleged contents of each warehouse as often as once a year, inform themselves as to habitual or gross cases of excessive sampling of goods, examine the method of removing goods to and from the warehouse, and inquire into all cases of alleged destruction of goods in warehouse by fire or other casualty.

PAR. VIII. With reference to withdrawals of goods in bond, they shall frequently compare the entries and landing certificates, and examine any other documents, or make other proper inquiries that may enable them to determine whether goods withdrawn from bond have or have not gone into consumption without payment of duties.

PAR. IX. In investigating the subject of transporting goods in bond, special agents shall personally see what precautions are actually taken to keep goods from leaving the route at any point between the places of departure and destination, and shall detect, if possible any shortage or change of goods, or tampering of any kind with the packages.

PAR. X. As far as is practicable special agents shall aid the local customs and immigration officers in the proper enforcement of the Chinese-exclusion and other immigration laws, and shall make reports to the insular collector of customs of all cases where, in their opinion, immigrants are admitted to these islands in violation of law.

PAR. XI. Special agents shall not interfere with the regular transaction of the customs business by the local officers, but are expected to cooperate with and supplement the labors and vigilance of such officers. Such frauds, abuses, irregularities, or other defects discovered by special agents as are capable of being dealt with by the local customs officers, or other customs agents, shall be immediately brought to their notice, and their action upon them shall be stated in the reports of special agents to the insular collector of customs.

PAR. XII. Special agents are not permitted to give out for publication any information whatever relating to official business, and this rule shall be strictly observed by all special agents and their subordinates.

PAR. XIII. Each special agent shall render to the supervising special agent on the last day of each month a report in detail of his operations and of the manner he has been employed from day to day during the month. He shall likewise make special reports of all cases and investigations which require action by higher authority. An official station shall be assigned to each agent, at which he shall be employed in the line of his duty when not traveling.

PAR. XIV. Agents shall confine their labors within the limits of the districts to which they are assigned, and shall not go beyond such limit without permission from the supervising special agent, unless in case of emergency, when it would be impracticable to obtain permission. All the facts in such cases shall be duly reported. The whole time of special agents during business hours shall be devoted to public service, and private employment interfering with the constant and faithful performance of official duties shall not be allowed.

PAR. XV. The accounts of special agents shall be rendered monthly under oath, embracing such expenses as are actually and necessarily incurred in the discharge of official duties, stating places visited, dates, and the items of expenditures, with vouchers when practicable. The unnecessary use of the telegraph shall be avoided. Each special agent shall hold a certificate of his appointment for his official use, to be surrendered to the insular collector of customs at the close of his term of office for cancellation, prior to the settlement and payment of his final accounts.

PAR. XVI. The work of the force of special agents shall be under the immediate direction of the supervising special agent, to whom all matters relating to alleged violations of the revenue and collateral laws shall be reported for investigation. Communications to and from special agents shall be transmitted through the office of the supervising special agent, who shall be the medium of conveying to the insular collector of customs information relating to the work being pursued and accomplished by his force, unless it is otherwise directed in special instances.

PAR. XVII. The supervising special agent shall maintain full and complete office records, which shall be confidential and shall contain the necessary data of all cases handled, arrests made, convictions secured, seizures made, value of the same, amounts of lawful duties recovered, and any other pertinent matters arising in his division.

PAR. XVIII. Special agents shall carry with them whenever practicable and especially when engaged in official business their respective commissions and badges for the purpose of showing their authority to act whenever necessary.

PAR. XIX. The attention of special agents is also directed to paragraph 374 of the Philippine customs administrative act, whereby they are required to assist the proper insular authorities in the detection of counterfeit money and in the arrest and prosecution of the guilty parties.

PAR. XX. The supervising special agent is hereby authorized to require any or all agents to submit daily reports to him containing a concise statement of the work accomplished by each special agent during the day and with special reference to any important facts discovered. Unless otherwise directed by the supervising special agent, daily reports thus rendered shall be taken in lieu of the monthly report above mentioned.

PAR. XXI. Special agents away from their permanent offices shall as far as possible keep a complete record by means of a press copy book or otherwise of all communications and reports sent by them through the mail or by other means of communication.

PAR. XXII. In addition to the general investigations and examinations above prescribed, special agents shall comply with the following specific instructions:

1. Ascertain by actual count the money on hand. This must be done immediately upon arrival of the agent at the custom-house or inspector's office.

2. Examine the several accounts of the collector or inspector, making comparison of the register of moneys received from all sources, records of accounts-current, of disbursement of moneys received and deposited, and the certificates of deposits to the credit of the treasurer of the Philippine Islands and those to the credit of the collector or inspector.

3. Examine the business of the collector's or inspector's offices, and in the case of entry ports all its bureaus and divisions, and the official records and correspondence connected therewith.

4. At entry ports examine all records connected with the withdrawal of merchandise, whether for consumption, transportation, or export.

5. Examine all records relating to marine business.

The object of these examinations is to furnish the Department with full information respecting the practical operations of the several custom-houses and inspector's offices. Special agents are particularly enjoined to conduct them in a courteous and gentlemanly manner.

In making their inquiries agents are not confined within the limits of the following interrogatories, but will report any infraction which may be observed by them on the part of customs officers of law or the regulations or instructions of the insular collector of customs.

Agents will conclude their reports with such general or special remarks as may be deemed proper for the information of this office; and, for convenient reference, with a summary of the recommendations, if any are contained in the report, for the correction of irregularities and the improvement of the service.

PAR. XXIII. Answers to questions on the blank form shall not be based upon the unsupported statements of customs officers, but shall be made upon the personal knowledge of the agent as to the condition and methods of business at the port examined.

• ENTRY: COASTWISE.

PORT OF....., 190-.

Report of examination of customs business in the district of.....
by Special Agent..... under instructions of.....

1. Money on hand on the close of business hours on the..... day of.....
as ascertained by actual count, \$.....

NOTE.—If any papers or memoranda are found with the cash on hand purporting to represent money, state the character of such papers or memoranda and the several amounts they represent.

2. Amount on deposit upon same date with an insular depository to the credit of the disbursing officer:

Salaries and wages.
Contingent expenses.
Transportation.
Expenses revenue launches.
Extra services of customs employees.
Salaries of storekeepers of bonded warehouses.
Chinese registration.
Special contingent fund (if any).

NOTE.—The agent shall obtain a report from the insular depository of the amount on deposit to the officer's credit.

3. State the balance on the several accounts as they were reported in the last report made to the auditor for the Philippine Islands and date of said report.

Balance per report dated..... on account of.....

Salaries and wages.
Contingent expenses.
Transportation.
Expenses revenue launches.
Extra services of customs employees.
Salaries of storekeepers of bonded warehouses.
Chinese registration.
Special contingent fund (if any).

4. State amounts received, deposited, and on hand on the several accounts since the date of the last report to the auditor for the Philippine Islands on moneys received from all sources, dated.....

Importation.
Exportation.
Tonnage dues, coastwise.
Tonnage dues, foreign.
Fines, penalties, and forfeitures.
Storage.
Wharfage.
Withdrawals from bonded warehouses of imported merchandise.
Export duties refundable.
Extra services of customs employees.
Salaries of storekeepers of bonded warehouses.
Sale of blank forms.
Sale of roll books.
Special licenses.
Auction sales.
Immigration dues.
Chinese certificates of residence.
Admeasurement fees.
Customs stamps.
Chinese registration fees.
Deposits or guarantees.

5. State the result of the comparison of the cash on hand and on deposit with the balance as shown by records.

	On hand.	On deposit.	Total.
Actual.....	\$.....	\$.....	\$.....
As per records.....	\$.....	\$.....	\$.....

6. How often are reports of transactions and remittances of money collections made by the collector or inspector?

7. Are all collections entered on a register of receipts of money from all sources at the time of their receipt?

8. How often are deposits of money collections made with an insular depository?

9. Are disbursements of public funds invariably made by checks payable to the persons who have actually performed the service, or to whom the money is actually due for material furnished or services performed?

10. Are the money collections ever used for payment of salaries or other expenditures or for the collector's or inspector's private purposes?

11. Are the records of daily balances and the record of disbursements properly kept?

12. Are all duties, fees, and other collections paid at the custom-house or inspector's office and at the time entry is dispatched or the service performed, for which the fee is charged?

13. Are drafts, checks, or other representatives of money ever received as money?

14. Are any of the public moneys ever deposited elsewhere than with an insular depository?

15. Are any of the reports prescribed for accounting for moneys received or disbursed overdue?

16. Upon examination of records of the arrivals and clearances of vessels, the manifests, entries, and the register of moneys received from all sources do you find all collections required by these records properly accounted for?

17. Do you find all merchandise unclaimed or seized, either on hand or accounted for, and have sales of such merchandise been made in proper time and manner and proceeds duly accounted for?

18. Are entries properly made of all goods imported whether free or dutiable when such entries are required by law or regulations, and are the proceedings on entry in accordance with the instructions of the insular collector?

19. At entry ports is full record made of the estimated and liquidated duties in the book provided for that purpose?

20. Are duties collected in all cases before the permit is issued or delivery of the imported merchandise?

21. Are all weighable or gaugable goods properly weighed and gauged and return thereof made without delay by the officer performing that duty; and is his dock book properly made up and filed?

22. If there are custom-house labor rolls, state whether the persons borne upon such rolls are actually employed for the full time charged and state the results of comparisons of the rates paid for temporary labor with the rates paid for similar service in private business.

23. State the number of pieces and total weight of merchandise handled by such laborers during the last fiscal year, and the cost of handling same.

24. Are you satisfied that due diligence is exercised in fixing dutiable values? Can you suggest any improvement in the methods of appraising officers at this port?

25. State the amount of duties, original, increased, or additional, found due on entries remaining unpaid, the respective goods having been delivered to importers, giving the date of the entry, the number of the entry, importer's name, entire amount of duties, and amount due on each entry.

26. Are increased and additional duties found due on liquidated entries collected before delivery of examined packages?

27. Does the record of liquidations show that refunds of excess of deposits are promptly paid after liquidation of entries?

28. Are warehouse accounts promptly opened and kept in accordance with the regulations?

29. Are the withdrawal entries entered on the credit side of these accounts as soon as the entries are made, and at the same time are they recorded on the backs of the bonds as required by the regulations?

30. Are the several daily registers of warehousing (if any), transportation, and exportation entries kept and the entries recorded therein as they are made from day to day?

31. Furnish a list of bonded warehouses in the collection district, the location, class, and general condition, names of storekeepers employed, and the warehouses to which they are assigned.

32. Is the compensation of storekeepers promptly collected each month from the proprietors of the several bonded warehouses as prescribed by the regulations?

33. Does the collector's disbursement account show that the moneys received for storekeepers' service are duly accounted for?

34. Do the storekeepers receive any compensation direct from the proprietors of the bonded warehouses?

35. Are the storekeepers' records properly kept, and how often are returns made to the collector of goods received, permitted, and delivered?

36. Are the salaries of the storekeepers paid to them for their own use and benefit?

37. Are the bonded warehouses, while unlocked, ever left by the storekeepers in charge of anyone other than an officer of the customs?

38. How often is an inventory made of goods in warehouses?

39. Are the storekeepers transferred from one bonded warehouse to another at least once a year?

40. Upon a comparison of the goods in a bonded warehouse with the storekeepers' record and the bonds and records at the custom-house is any discrepancy found to exist?

41. Is the lading of bonded goods for export on board the exporting vessel always done under the actual personal supervision of the officer who makes the certificate of lading?

42. Are all requirements of the regulations with respect to the execution and cancellation of customs bonds duly complied with; and are you satisfied that proper care is exercised in taking bonds as to the sufficiency and legality of the sureties thereon?
43. Is a proper record of registration of all vessels to which special licenses are issued, or from which such are taken up, properly kept and indexed up to date?
44. Are bills of sale, mortgages, and other conveyances promptly entered upon the index and recorded in the register for that purpose?
45. Are the current daily transactions of the custom-house or inspector's office recorded in the several records from day to day as they occur?
46. In what condition do you find the customs building and premises?
47. At entry ports in what condition do you find the weighing, gauging, and other implements required for the customs business?
48. Do the collector or inspector and other principal officers give their attention to the business of their respective offices, and are they in daily attendance at the custom-house or inspector's office during office hours?
49. Give the names of all the employees of the district, their compensation, their character for competency and efficiency, and the nature of the duties performed by each.
50. Are there any persons borne upon the custom-house pay rolls who perform little or no actual service, or who are engaged in private business or have outside personal business interests? If so, give their names.
51. What reduction, if any, can be made in the force as now employed without detriment to the public interests?
52. Considering the character of the work performed by the several employees and their efficiency, is the salary in any instance excessive, and is it in any case more than is usually paid for similar services, or is the salary in any case deficient?
53. Are due precautions taken to prevent the improper landing of excessive sea stores found on board vessels from foreign ports, and are entries of such excessive stores required to be made in accordance with law?
54. Furnish a list of rented buildings occupied for customs purposes in the district, the dates when leases expire, and the rental in each case.
55. Are the buildings so occupied for customs purposes as suitable and convenient as can be obtained at the port, and are the rentals as low as are usually paid for similar buildings for private purposes?
56. Is the custom-house or inspector's office used or occupied for purposes other than the transaction of the public business? If so, state by whom, in what manner, and by what authority it is so used or occupied.
57. At entry ports, when warehoused or unclaimed goods are stored in the custom-house or other public building owned or occupied by the Government, are the full rates of storage customary at the port charged and collected upon such goods before delivery?
58. Has any storage been remitted or condoned by the collector or other customs officer at the port?
59. What is the practice of the collector with regard to the imposition of fines for false declarations of imported merchandise?
60. In what condition are the official records of the port?
61. Do the present records cover fully the period of the United States occupation of the port?
62. Describe in a general way the method of handling imported goods, the checks and inspector's reports which are made, and the record of importation which is kept in the custom-house.
63. Investigate the condition and records of all accountable property.
64. Investigate the issuance of Government coal to Government vessels by customs officers in charge of coal piles.
65. Report on the method of issuance of coastwise licenses and the prompt remittance of fees therefor.
66. Special agents shall cause collecting officers to invoice and remit to the insular treasurer, in the presence of the special agent, all funds on hand at the port arising from customs collections immediately after the same have been counted by the special agent.

PAR XXIV. Special agents shall also report to the supervising special agent any other matters pertaining to the conduct of the public business of the port which they may deem advisable.

PAR XXV. Copies of Manila custom-house special order No. 104 shall be furnished to the following officers of the Manila custom-house:

The insular deputy collector of customs, the insular surveyor of customs, the supervising special agent, all other special agents, and the chief of secret agents.

W. MORGAN SHUSTER,
Collector of Customs for the Philippine Islands.

APPENDIX F.

SPECIAL REPORT OF THE INSULAR COLLECTOR OF CUSTOMS ON THE REGISTRATION OF CHINESE PERSONS IN THE PHILIPPINE ISLANDS.

SIR: Herewith I submit a detailed report on the registration of Chinese persons in the Philippine Islands.

This registration was directed by section 4 of the act of Congress of April 29, 1902, a reenactment of the then existing Chinese-exclusion laws of the United States so as to make them applicable to the Philippine Islands, which read as follows:

"SEC. 4. That it shall be the duty of every Chinese laborer, other than a citizen, rightfully in, and entitled to remain in, any of the insular territory of the United States (Hawaii excepted) at the time of the passage of this act, to obtain within one year thereafter a certificate of residence in the insular territory wherein he resides, which certificate shall

entitle him to residence therein, and upon failure to obtain such certificate as herein provided he shall be deported from such insular territory; and the Philippine Commission is authorized and required to make all regulations and provisions necessary for the enforcement of this section in the Philippine Islands, including the form and substance of the certificate of residence so that the same shall clearly and sufficiently identify the holder thereof, and enable officials to prevent fraud in the transfer of the same: *Provided, however*, That if said Philippine Commission shall find that it is impossible to complete the registration herein provided for within one year from the passage of this act, said Commission is hereby authorized and empowered to extend the time for such registration for a further period not exceeding one year."

In order to carry into effect the provisions of this section, Act No. 702 was passed on March 27, 1903, by the Philippine Commission, as follows:

"[No. 702.]

"AN ACT to regulate the registration of Chinese persons in the Philippine Archipelago, and to carry into effect and enforce the provisions of section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, entitled 'An act to prohibit the coming into and to regulate the residence within the United States, its Territories, and all territory under its jurisdiction, and the District of Columbia, of Chinese persons and persons of Chinese descent.'

"By authority of the United States, be it enacted by the Philippine Commission, that:

"SECTION 1. The collector of customs for the Philippine Archipelago is hereby authorized and directed to make the registration of all Chinese laborers in the Philippine Islands as required and prescribed by section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, entitled 'An act to prohibit the coming into and to regulate the residence within the United States, its Territories, and all territory under its jurisdiction, and the District of Columbia, of Chinese and persons of Chinese descent,' and to employ for that purpose the personnel of the Philippine customs service, the provincial and military officers hereinafter provided, and such other persons as may be necessary.

"SEC. 2. The insular collector of customs shall make such rules and regulations as may be necessary for the efficient execution of this act, prescribing the form of certificates of registration required hereby, and making such provisions that certificates may be procured in localities convenient to the applicants.

"SEC. 3. Each certificate of registration shall contain the name, age, date, and place of birth, registry of birth, if any, local residence, occupation, and photograph of the person therein described, and such other data in respect to him as shall be prescribed by the insular collector of customs, and shall be issued by the proper officer upon payment to him of a fee of fifty cents United States currency, said fee to be accompanied by a true photograph of the applicant in triplicate to the satisfaction of such officer.

"SEC. 4. Any Chinese laborer within the limits of the Philippine Islands who shall neglect, fail, or refuse to obtain within the time prescribed by section four of the act of Congress of the United States, referred to in section one of this act, the certificate of registration by this act provided to be issued, and who shall be found within the Philippine Islands without such certificate of registration after such time has elapsed, may be arrested upon warrant issued by the court of first instance of the province or by the justice's court of the municipality returnable before said court of first instance, by any customs official, police, constabulary, or other peace officer of the Philippine Islands and brought before any judge of a court of first instance in the islands, whose duty it shall be to order that such Chinese laborer be deported from the Philippine Islands, either to China or the country from whence he came unless he shall affirmatively establish clearly and to the satisfaction of such judge, by at least one creditable witness other than Chinese, that although lawfully in the Philippine Islands at and ever since the passage of this act he has been unable by reason of accident, sickness, or other unavoidable cause to procure the certificate within the time prescribed by law, in which case the court shall order and adjudge that he procure the proper certificate within a reasonable time, and such Chinese laborer shall bear and pay the costs of the proceeding: *Provided, however*, That any Chinese laborer failing for any reason to secure the certificate required under this law within two years from the date of its passage shall be deported from the islands. If it appears that such Chinese laborer had procured a certificate in due time, but that the same has been lost or destroyed, he shall be allowed a reasonable time to procure a duplicate from the insular collector of customs or from the officer granting the original certificate, and upon the production of such duplicate such Chinese laborer shall be discharged from custody upon payment of costs.

"Any Chinese person having procured a certificate of registration, and the same having been lost or destroyed, shall have a right to procure a duplicate thereof under such regulations as may be prescribed by the insular collector of customs upon the payment of double the fee exacted for the original certificate and the presentation of his true photograph in triplicate.

"No Chinese person heretofore convicted in any court of the States or Territories of the United States or the Philippine Islands of a felony shall be permitted to register under the provisions of this act without special authority from the civil governor.

"Sec. 5. Every Chinese person having a right to be and remain in the Philippine Islands shall obtain the certificate of registration specified in section three of this act as evidence of such right and shall pay the fee and furnish his photograph in triplicate as in said section prescribed; and every Chinese person found without such certificate within the Philippine Islands after the expiration of the time limited by law for registration shall be presumed, in the absence of satisfactory proof to the contrary, to be a Chinese laborer, and shall be subject to deportation as provided in section four of this act. Every Chinese person shall, on demand of any customs official, police, constabulary, or other peace officer, exhibit his certificate, and on his refusal to do so may be arrested and tried as provided in section four of this act.

"Sec. 6. Any person who shall knowingly and falsely alter or substitute any name for the name written in any certificate of registration or forge such certificate, or knowingly utter any forged or fraudulent certificate, or falsely personate the person to whom said certificate was originally issued, or who shall falsely present any such certificate, shall be punished by a fine not to exceed one thousand dollars and imprisoned for a term not to exceed five years.

"Sec. 7. Every Chinese person who may be entitled to come into the Philippine Islands shall upon landing, if he so requests, be given by the collector of customs of the port at which he lands a certificate containing his name, age, photograph, occupation, place of last residence, the date on which he landed, and such other data in respect to him as may be prescribed by the insular collector of customs, and such certificate shall be issued upon payment to the proper officer of fifty cents, United States currency, accompanied by a true photograph of the applicant in triplicate to the satisfaction of such officer.

"Sec. 8. Each certificate issued under this act shall be made out in triplicate, and to each of the triplicate copies shall be attached a true photograph of the person to whom issued. One of such triplicate certificates shall be delivered to the applicant, one filed in the office of the registrar of Chinese for the district within which the application is made, and the third transmitted to the insular collector of customs for permanent record and file.

"Sec. 9. The collector of customs for the Philippine Archipelago is hereby authorized to depute as registrar or deputy registrar of Chinese in each organized province of the civil government, any collector or deputy collector of customs or treasurer of the province, and the officer so deputized shall give the necessary assistance under the direction of the insular collector of customs in the execution of this act.

"Sec. 10. In unorganized provinces the insular collector of customs is authorized to designate, where available, any officer or qualified employee in the customs service for duty as registrar or deputy registrar of Chinese, and in case none such is available, then, by and with the consent of the commanding officer of the division of the Philippines, he is authorized to designate an officer of the United States Army to serve as registrar of Chinese.

"Sec. 11. Registrars and deputy registrars of Chinese, in addition to their compensation as officials or employees of the civil government or officers of the United States Army, shall receive not to exceed the sum of seventy-five dollars, United States currency, per month, and their actual and necessary traveling expenses, not to exceed three dollars, United States currency, per day, incurred under orders of the insular collector and by reason of their being engaged in the work prescribed in this act.

"Sec. 12. The word 'laborer' or 'laborers' wherever used in this act shall be construed to mean both skilled and unskilled manual laborers, including Chinese laundrymen and Chinese employed in mining, fishing, huckstering, peddling or taking, drying, or otherwise preserving shell or other fish for home consumption or exportation.

"The term 'merchant' as employed in this act signifies a person engaged in buying and selling merchandise at a fixed place of business, which business is conducted in his name, and who during the time he claims to be engaged as a merchant does not engage in the performance of any manual labor except such as is necessary in the conduct of his business as such merchant. The definition of 'laborer' and 'merchant' set out in this section shall receive the same construction as that given to it by the Federal courts of the United States and the rulings and regulations of the Treasury Department of the United States.

"Sec. 13. For the purposes of this act the following temporary employees, or so many thereof as may be necessary, are hereby authorized in the office of the collector of customs for the Philippine Archipelago: Six registration clerks and two Chinese translators of class nine and two stenographers and typewriters of class eight.

"Sec. 14. The sum of forty thousand dollars, United States currency, or so much thereof as may be necessary, is hereby appropriated, out of any moneys in the insular treasury not otherwise appropriated, to pay the salaries and expenses of registrars and deputy registrars and necessary clerical assistance, interpreting, translating, printing, advertising, traveling, transportation, stationery, and such other expenses as may be incurred in connection with this registration.

"Sec. 15. It being impossible to complete the registration herein provided for within one year from the passage of the act of Congress approved April twenty-ninth, nineteen hundred and two, the time for such registration is, pursuant to authority granted by section four of said act, hereby extended for a period of six months to date from April twenty-ninth, nineteen hundred and three.

"Sec. 16. This act shall take effect on its passage.

"Enacted, March 27, 1904."

It will be noted that according to the provisions of section 5 of the above-quoted act (section 4 of the act of Congress of April 29, 1902, is amplified and extended so as to include "every Chinese person having a right to be and remain in the Philippine Islands," and it is further provided by section 5 that "every Chinese person found without such certificate within the Philippine Islands after the expiration of the time limited for registration shall be presumed, in the absence of satisfactory proof to the contrary, to be a Chinese laborer, and shall be subject to deportation as provided in section four of this act."

Under the provisions of said act, the collector of customs for the Philippine Islands was authorized and directed to make the registration of Chinese persons, to provide the necessary rules and regulations to carry out its provisions, and to deputize and employ for that purpose the necessary customs, provincial and military officers, as well as to employ the necessary temporary employees.

Pursuant to the provisions of section 2 of the above-mentioned act, this office prepared and published under date of April 13, 1903, Chinese and Immigration Circular No. 85 (see Exhibit A), entitled "Regulations for the registration of Chinese persons in the Philippine Islands."

In addition to the general regulations there was included in this circular a complete set of model forms of applications, certificates, landing certificates, identification cards, etc., which were to be used during the registration period, in order that the registrars and their deputies might familiarize themselves with the purposes of each.

The islands were thereby divided into thirty registration districts. In each registration district a registrar, with one or more deputy registrars, was appointed. The personnel during the entire registration period consisted of 36 registrars and 52 deputy registrars, stationed as follows:

Name.	Title.	Registration district.
REGISTRARS.		
Abrams, Chas. W.	Deputy coast district inspector.	Cottabato.
Allison, A. M.	Coast district inspector.	Union.
Barton, Eugene	Treasurer.	Misamis.
Beatty, Charles L.	Coast district inspector.	Surigao.
Bennett, George	Collector of customs.	Zamboanga.
Bodley, Arthur W.	Deputy coast district inspector.	Cottabato.
Braden, J. Q. A.	Treasurer.	Camarines.
Bryant, William C.	Secretary-treasurer.	Nueva Vizcaya.
Coates, Thomas P.	Coast district inspector.	Union.
Colton, George R.	Collector of customs.	Iloilo.
Corwine, R. M.	do.	Jolo.
Douglass, H. R.	Coast district inspector.	Sorsogon.
Faneuf, Adolph G.	do.	Samar.
Farwell, J. L.	do.	Albay.
Fee, D. E.	Collector of customs.	Paragua.
Frank, Hans.	Lieutenant, Philippine Scouts.	Daritan.
Gimenez, José	Coast district inspector.	Cagayan.
Green, J. B.	Treasurer.	Nueva Ecija.
Hardeman, Thomas	do.	Pangasinan.
Hunter, John W.	do.	Abra.
Jones, Walter E.	do.	Tarlac.
Lamb, C. H.	Supervisor-treasurer.	Mindoro.
McFarland, Archibald	do.	Abra.
McLain, C. C.	Treasurer.	Tayabas.
McNeil, Jacob R.	Coast district inspector.	Batangas.
Owens, G. E.	Secretary-treasurer.	Lepanto-Bontoc.
Palin, Chas. L.	Coast district inspector.	Paragua.
Rafferty, James J.	Collector of customs.	Cebu.
Smith, H. Warren	Treasurer.	Ilocos.
Stark, Benjamin	Lieutenant, Fiftieth Company Philippine Scouts.	Davao.
Stewart, N. B.	Treasurer.	Isabela.
Strattan, Guy	Coast district inspector.	Romblon.
Thornton, William O.	Treasurer.	Tayabas.
Travis, Gideon B.	Acting treasurer.	Lepanto-Bontoc.
Turner, Arthur H.	Deputy coast district inspector.	Zambales.
Willits, Samuel	Lieutenant, Philippine Scouts.	Dapitan.

Name.	Title.	Registration district.
DEPUTY REGISTRARS.		
Amazeen, John B.	Chief of immigration division.	Manila.
Ascher, Alfred.	Deputy treasurer.	Tayabas.
Barclay, W. W.	Treasurer.	Cagayan.
Barnes, W. B.	Clerk.	Jolo.
Blaker, Allan G.	Coast district inspector.	Cebu-Leyte.
Blanchard, R. D.	Treasurer.	Batangas.
Brooks, jr., J. S.	Deputy treasurer.	Tayabas.
Carson, Chas. W.		Camarines.
Casanave, Pedro A.	Treasurer.	Samar.
Casanave, Pedro A.	do.	Iloilo-Negros Occidental.
Chapman, F. S.	do.	Iloilo-Capiz.
Cheney, Edward F.	Deputy coast district inspector.	Iloilo-Cuyo.
Clint, David K.	Treasurer.	Manila-Rizal.
Cole, W. G.	Registration clerk, Manila.	Zambales-Olongapo.
Comdohr, Julius A.	Treasurer.	Sorsogon-Masbate.
Conrow, W. O.	do.	Cebu-Leyte.
Emery, Arthur S.	do.	Zambales.
Fanning, Richard J.	do.	Sorsogon.
Goodhart, Richard W.	do.	Manila-Bulacan.
Grau, G. R.	do.	Rizal.
Greer, James W.	Coast district inspector.	Cebu-Negros Oriental.
Hahn, D. H.	Inspector of customs.	Cebu-Leyte.
Hart, George B.	Coast district inspector.	Iloilo-Antique.
Hill, Edward.	Customs examiner.	Zamboanga.
Hodgson, H. J.	Treasurer.	Albay.
Hollis, Wm. George.	do.	Iloilo-Negros Occidental.
Jumper, David A.	Coast district inspector.	Iloilo-Capiz.
Love, H. K.	Treasurer.	Manila-Bataan.
Love, H. K.	do.	Manila-La Laguna.
Moir, P. M.	do.	Manila-Cavite.
Nash, C. L.	do.	Romblon.
Neuman, Paul.	Coast district inspector.	Cebu-Leyte.
Pack, William F.	Treasurer.	Union.
Peed, Henry.	do.	Cebu-Negros Oriental.
Randall, W. A.	do.	Iloilo-Negros Occidental.
Reamy, B. F.	do.	Iloilo-Antique.
Reinburg, Louis G.	Acting treasurer.	Manila-La Laguna.
Reis, Julius S.	Treasurer.	Romblon.
Reynolds, Charles A.	do.	Albay.
Robinson, H. B.	do.	Iloilo-Negros Occidental.
Roddy, W. F.	Collector of customs.	Paragua.
Scott, Philip H.	Registration clerk, Manila.	Manila-Rizal.
Shaw, Andrew.	Deputy coast district inspector.	Jolo-Siasi.
Shearer, R. M.	Treasurer.	Manila-Pampanga.
Thornton, William O.	do.	Iloilo-Capiz.
Uppington, C. D.	do.	Cebu-Bohol.
Vanderbroek, J. P.	do.	Cebu-Leyte.
Watson, W. R.	Deputy collector of customs.	Iloilo.
Whittier, Arthur G.	Acting treasurer.	Samar.
Wilson, F. L.	Treasurer.	Ilocos Sur.
York, F. G.	Deputy collector of customs.	Cebu.
Yundt, E. R.	Treasurer.	Manila-Bataan.

In addition thereto each registrar and deputy registrar was authorized to employ, whenever the exigencies of the work required it and subject to the approval of this office clerks, Chinese interpreters, etc. There were 41 persons employed as clerks and interpreters at the Manila office during the registration period. No one of them served continuously from the beginning, and several were transferred and reassigned one or more times.

The amount paid the registrars and deputy registrars for services performed was \$10,018.13 United States currency. (See Exhibit B.)

The entire cost of the registration for salaries, by districts, is as follows:

District.	Registrar.	Deputy registrar.	Clerks and interpreters.	Total.
Manila.		\$680.83	\$13,333.66	\$14,013.89
Iloilo.	\$675.00	688.16	445.00	1,808.16
Cebu.	537.50	1,020.00	709.00	2,266.50
Jolo.	340.00	227.00	392.00	959.00
Zamboanga.	490.00	62.50	54.00	606.50
Albay.	241.67	210.83	248.50	701.06
Cagayan.	226.67	80.83	84.67	392.17
Camarines.	378.33	115.00	75.00	568.33
Pangasinan.	450.00		22.65	472.65
Samar.	235.00	89.17	70.00	394.17

United States currency.

District.	Registrar.	Deputy registrar.	Clerks and interpreters.	Total.
Sorsogon.....	\$181.66	\$175.00	\$174.50	\$531.16
Tayabas.....	203.33	194.17	93.33	490.83
Misamis.....	125.00		45.00	170.00
Ilocos.....	200.00	114.16	121.67	435.83
Isabela.....	120.00			120.00
Davao.....	124.16			124.16
Surigao.....	200.00		25.00	225.00
Batangas.....	218.33	97.50		315.83
Cotabato.....	181.67		41.50	223.17
Tarlac.....	100.00		62.67	162.67
Union.....	169.17			169.17
Nueva Ecija.....	141.66			141.66
Romblon.....	96.67	55.83		152.50
Zambales.....	77.50	35.84		113.34
Dapitan.....	45.83		14.50	60.33
Mindoro.....	104.00		29.67	133.67
Paragua.....	235.00	23.34		258.34
Abra.....	50.00			50.00
Lepanto-Bontoc.....		(^a)		
Nueva Vizcaya.....		(^b)		
Total.....	6,148.15	3,870.16	16,041.72	26,060.03

^a Only 9 certificates issued.^b No certificates issued.

Several weeks were occupied in preparing, printing, and distributing the necessary blank forms, rubber stamps, official seals, etc., the actual operation of registration commencing at Manila on June 1, 1903. The first certificates from outside registration districts were received from Aparri on June 17, 1903, and from Cebu and the Camarines on June 24, 1903.

It being found impossible to complete the registration of Chinese persons within the period stated in the regulations (Chinese and Immigration Circular No. 85)—i. e., from June 1 to September 30, 1903—the period was extended by Chinese and Immigration Circular No. 141 (see Exhibit C) until October 29, 1903, the time originally specified in act No. 702 of the Philippine Commission.

Upon October 29 there had been received at the Manila office approximately 26,000 certificates of residence for approval, and the time was further extended by act No. 989, Philippine Commission, until December 29, 1903. (See Exhibit D.) On this date there had been received for approval approximately 34,000 certificates. Of this number, about 21,000 were from outside registration districts, only 13,000 having been completed at the Manila office.

It then became necessary to still further extend the registration period for two months, which was done by act No. 1035 (see Exhibit E), and again until April 29, 1904, by act No. 1084 (see Exhibit F), during which period there were received for approval approximately 1,500 certificates from outside districts and 14,150 certificates from the Manila office.

The actual number of certificates of residence issued in all the districts in the Philippine Islands during the registration period was 49,659, divided as follows:

Result of Chinese registration, by districts.

District.	Number.	District.	Number.
Manila:		Iloilo:	
City of Manila.....	27,173	Iloilo.....	2,000
Cavite.....	844	Negros Occidental.....	759
Pampanga.....	559	Capiz.....	212
La Laguna.....	533	Antique.....	152
Bulacan.....	347	Cuyo.....	34
Rizal.....	292	Total.....	3,157
Bataan.....	20		
Total.....	29,768	Albay.....	1,419
Cebu:		Cagayan.....	1,055
Cebu.....	1,843	Camarines.....	1,045
Leyte.....	1,791	Pangasinan.....	1,037
Negros Oriental.....	339	Samar.....	1,033
Bohol.....	90	Jolo.....	1,031
Total.....	4,063	Sorsogon.....	1,017
		Zamboanga.....	891
		Tayabas.....	579
		Misamis.....	504

Result of Chinese registration, by districts—Continued.

District.	Number.	District.	Number
Ilocos	472	Dapitan	82
Isabela	435	Paragua	82
Surigao	416	Mindoro	40
Batangas	298	Abra	20
Cotabato	292	Davao	15
Tarlac	281	Lepanto-Bontoc	9
Union	256	Nueva Vizcaya	
Nueva Ecija	168		
Romblon	135	Grand total	49,650
Zambales	113		

It will be seen by the foregoing table that 29,768, or about 60 per cent, of these certificates were issued in the Manila registration district, the city of Manila furnishing all but 2,595 of them. It will also be noted that the Chinese population in some parts of the islands is so scattering that 10 districts out of the 30 furnished only a fraction over 700 certificates.

The result of the registration in the principal islands of the archipelago is shown by the following table:

Result of Chinese registration, by islands.

Island.	Number.	Island.	Number.
Luzon:		Samar	1,033
Manila	27,173	Jolo	779
Balance of the island	10,721	Siasi	252
Total	37,894	Romblon	135
		Bohol	90
Panay	2,364	Masbate	84
Mindanao	2,170	Paragua	52
Cebu	1,843	Mindoro	40
Leyte	1,791	Cuyos	34
Negros	1,098	Grand total	49,650

It will be seen by this table that the island of Luzon furnished 37,894, or 76 per cent, of the certificates issued during the registration period, the islands of Panay and Mindanao following with only 2,364 and 2,170 certificates, respectively.

There were also issued during the registration period 354 landing certificates of residence at the ports of Manila, Cebu, Iloilo, and Jolo. Since the close of the registration period on April 29, up to and including August 31, this number has been increased to 681, as follows:

Manila	551
Cebu	92
Iloilo	27
Jolo	10
Zamboanga	1
Total	681

The majority of the landing certificates of residence issued since April 29, 1903, have been issued to Chinese persons formerly resident in the Philippine Islands who have been absent in China during the registration period and have been recently returning to their homes.

The work of comparing, approving, numbering, and sealing the entire 50,340 certificates in original and duplicate—a most tedious, monotonous, and stupendous task of itself—was carried on in this office, as also was the correspondence connected with receiving and forwarding the certificates, receipting for funds, appointment of clerks, translators, etc. Many certificates had to be returned to registrars and deputy registrars for correction, to secure additional information, or to obtain better photographs, the errors or discrepancies in each case having to be noted on slips attached to the certificates. On some occasions as high as 40 or 50 per cent of a lot of certificates received from a registration district had to be returned in this manner.

A complete check on the certificates, numbers, and fees collected was also kept, in order that no duplication or discrepancies could occur in either the certificates, numbers, or fees received in payment of same.

It is estimated that over 5,000 letters and telegrams passed through this office solely in connection with the registration of Chinese, all of them having been duly recorded in the record division of this custom-house. The payment of salaries to registrars, deputy registrars, clerks, translators, etc., also imposed additional labor upon the disbursing officer of this customs service.

Since the close of the registration period there have been issued 50 duplicate original certificates of residence, the original certificates having been either lost or destroyed. The majority of these certificates were destroyed in the recent extensive fires in the thickly populated Chinese districts of Manila. Authority is had for the issuance of duplicate-original certificates of residence under section 4 of Act No. 702 of the Philippine Commission, which in part reads as follows:

"Sec. 4. * * * Any Chinese person having procured a certificate of registration, and the same having been lost or destroyed, shall have a right to procure a duplicate thereof under such regulations as may be prescribed by the insular collector of customs upon the payment of double the fee exacted for the original certificate and the presentation of his true photograph in triplicate. * * *

Regulations as provided for by the above-mentioned act were published in Paragraph XVII of Chinese Immigration Circular No. 85, and Chinese and Immigration Circular No. 157. (See Exhibits A and G.)

There are at the present time approximately 2,200 certificates of residence remaining on hand undelivered at the various registration offices throughout the islands. Regulations covering the dispositions of these certificates were published in Chinese and Immigration Circular No. 161, dated July 30, 1904. (See Exhibit H.)

An approximate statement of the receipts and expenditures, including the fees collected for duplicate-original certificates issued to September 1, 1904, is as follows:

Receipts.

49,659 certificates of residence, at 50 cents.....	\$24, 829. 50
681 landing certificates, at 50 cents.....	340. 50
50 duplicate-original certificates, at \$1.....	50. 00
Total receipts.....	25, 220. 00

Expenditures.

Salaries of registrars and deputy registrars.....	10, 018. 31
Salaries of clerks, translators, etc.....	16, 041. 72
Printing, stationery, etc.....	7, 284. 25
Transportation and contingent expenses.....	484. 34
Total expenditures.....	33, 828. 62
Excess of expenditures over receipts.....	8, 608. 62

The actual receipts will amount to more than is shown in the statement above, owing to a number of applications having been received and paid for and the certificates not issued on account of deaths, etc.

COST OF WORK.

This statement shows that the entire work of registration has been accomplished with a cost of only \$8,600 to the government, and leaves a balance approximately of \$31,400 of the original appropriation of \$40,000 on hand. The work of indexing, etc., should probably be an additional charge against this appropriation.

Before concluding, this office desires to call attention to the many difficulties and annoyances which were met with in carrying out the work of registration, especially at the Manila office, where nearly 55 per cent of the applications were received and certificates issued.

The want of suitable and adequate quarters, and the general unfitness and inexperience of the force employed, was a constant subject of remark and source of complaint. The work was begun, before the recent addition to this custom-house was completed, through lack of better accommodations, in the temporary quarters of the immigration division in the property department, already insufficient and inadequate for the immigration work alone. The equipment consisted of such cast-off and unused odds and ends in the shape of desks, tables, chairs, and files as could be scraped together.

The registration began with a rush on the opening day, with little or no opportunity on the part of those employed to familiarize themselves with the new and unusual duties at hand. The newly appointed clerks, unacquainted with the laws and requirements and unaccustomed to the situation, grappled with the novel problems presented as best they could. At the end of the first week one clerk resigned and another was temporarily withdrawn, which

was the beginning of a system of rotation in office as unique as it was disastrous. In several instances, owing to the monotonous character of the work, registration clerks were given employment in other divisions of the customs service to prevent their resignation, while other clerks, temporarily unemployed, were assigned to do registration work. Something over fifty changes took place in the force during the succeeding nine months, which, on an average, indicates a complete shifting of the working force about once a month.

Owing to a delay in the completion of the books containing the certificates, about 3,200 applications had been received and a month had passed before any certificates were ready for issuance. This handicap could not be overcome, and for several months continued to increase, owing to the rush of applicants and insufficiency of the force employed, so that at the close of the period as first limited about 17,000 applications had been received and only about 5,000 certificates were ready for delivery. It was not until about March 15, 1904, that the office was up to date with the work.

The numerous difficulties which arose in connection with this work can scarcely be appreciated by anyone not actually engaged in the work. A large percentage of the number registered were from the most ignorant classes of Chinese, unable to write their names, standing mute when the necessary questions were put to them, or giving answers without truth or reason. The determination of the status of Chinese persons "other than laborers" was another matter in which it was most difficult to reach a satisfactory conclusion. It was almost impossible to obtain the correct status of the multitude of alleged partners belonging to a large number of establishments claimed to belong to a person who was apparently a "merchant" within the meaning of the law. Some of the larger firms, supposed to be owned and conducted by the men whose names they bore, developed as many as thirty or forty partners, each one claiming the right to be registered as a merchant (or person other than a laborer) on account of a small alleged share or interest which he might have in the firm, but presenting no proof other than certain certified copies of "partnership articles," and clamoring to have his status promptly investigated. Of the 27,173 Chinese registered at Manila, it is probable that 50 per cent made a demand, in the first instance, to be registered as "persons other than laborers." Hundreds made the claim that they were native born, without any other evidence of the fact than their assertions, and insisted upon having their claims investigated. The usual number of Chinese "attorneys" at law, in fact and otherwise, were on hand.

Another difficulty met with in Manila was the registration of the women and small children. Owing to the seclusion in which the Chinese women are accustomed to live, it was deemed best by the undersigned, after consultation with the Chinese consul, to have the women and children appear at that consulate for registration. This necessitated two trips being made—one for the application and another for signing and delivering the certificate—which occupied the time of two clerks and an interpreter from three to five hours for at least fifteen days, the women being very irregular in their attendance. On some days there would only be seven or eight applications received, while on other days twenty-five or thirty would apply. The same thing occurred in the delivery of the certificates, which occupied the entire time of a clerk and interpreter for a considerable period.

The number of women and children registered in this way was approximately 255. There were also quite a number of women and children registered in the regular manner. The total number of women registered throughout the islands is approximately 400. Upon the completion of the index and record, which is now being prepared, the number can readily be ascertained.

Another of the difficulties met with in securing satisfactory photographs, it having been absolutely necessary to decline to accept many of those presented. This caused delay in finishing the certificates, as in most cases it was several months before the applicants would return with new photographs to replace the ones declined. In many of the more isolated provinces great difficulty was experienced in securing photographs of any description, and in some instances the applicant had to travel several hundred miles to procure them. In one instance (Paragua district) a photographer and clerk were dispatched from Manila on a customs cutter to procure the applications and photographs of the Chinese residents, owing to the fact that no photographer could be obtained in those parts, and the 52 Chinamen in the district who desired to register were scattered over the entire island.

Of the 49,659 certificates of residence issued, only 23 were issued without photographs, as follows:

Davao district.....	14
Lepanto-Bontoc district.....	8
Cottabato district.....	1

Another difficulty was experienced in obtaining the real names of applicants, many of them signing names that could not be interpreted as they had been pronounced. In many instances the signature would not agree on the original, duplicate, and triplicate copies of the certificates, and many Chinese deliberately gave false names. In all of these cases

the certificates had to be held up, causing additional delay. The same difficulty was experienced in getting the proper addresses; often the applicant did not know his proper address, or purposely misstated the same.

The time and labor necessary to properly distribute the certificates after the same were completed must also be taken into consideration. Each applicant had to be carefully compared with the certificate, both with a view of making the necessary alterations and corrections in the certificate and the detecting of any fraud in obtaining same. This task was far beyond the average estimate. The pushing and crowding was at times uncontrollable. Great numbers came every day though their certificates were not ready—sometimes half the number present had to be turned away in spite of the announcements and bulletins posted. Hundreds of applicants claimed to have lost their "identification cards," and in such cases it was necessary to search through several hundred certificates before the proper one could be found. A great number of "identification cards" were presented by friends of the persons described therein, the former trying to pass themselves as the persons named and described in the certificate.

A complete index and record of the registered Chinese in the Philippine Islands is being prepared, and a sufficient supply will be printed to meet the needs of the different branches of the government which require it. Copies will be placed on file at each of the ports of entry in the Philippine Islands, in the immigration division of the Manila custom-house, the executive bureau, the secret-service bureau, the internal-revenue bureau, and probably at the constabulary headquarters, and at such other places as may be deemed necessary. Supplements will then be issued at stated periods giving the additional landing certificates of residence issued at ports of entry, the numbers of certificates canceled and the reasons thereof, etc., thus keeping an accurate record up to date.

Special credit is due to Mr. Cliff C. Barton, special agent, Philippine customs service for his assistance to the insular collector of customs throughout the entire registration work.

Respectfully,

W. MORGAN SHUSTER,
Collector of Customs for the Philippine Islands.

HON. HENRY C. IDE,
Secretary of Finance and Justice, Manila.

EXHIBIT A.

REGULATIONS FOR THE REGISTRATION OF CHINESE IN THE PHILIPPINE ISLANDS

CHINESE AND IMMIGRATION CIRCULAR NO. 85.

Regulations for the registration of Chinese persons in the Philippine Archipelago, promulgated pursuant to section 2 of Act No. 702 of the Philippine Commission.

OFFICE OF THE COLLECTOR OF CUSTOMS
FOR THE PHILIPPINE ARCHIPELAGO,
Manila, April 13, 1903.

To all Collectors of Customs, Provincial Treasurers, and Others Concerned:

PARAGRAPH I. The following regulations for the registration of Chinese persons in the Philippine Archipelago, made pursuant to section 2 of Act No. 702 of the Philippine Commission, are hereby published for the information and guidance of all concerned:

Section 4 of the act of Congress of April 29, 1902, reads, in part, as follows:

"SEC. 4. That it shall be the duty of every Chinese laborer, other than a citizen, rightfully in, and entitled to remain in any of the insular territory of the United States (Hawaii excepted) at the time of the passage of this act, to obtain within one year thereafter a certificate of residence in the insular territory wherein he resides, which certificate shall entitle him to residence therein, and upon failure to obtain such certificate as herein provided he shall be deported from such insular territory: and the Philippine Commission is authorized and required to make all regulations and provisions necessary for the enforcement of this section in the Philippine Islands, including the form and substance of the certificate of residence so that the same shall clearly and sufficiently identify the holder thereof, and enable officials to prevent fraud in the transfer of the same * * *."

PAR. II. *Applications for certificates of residence.*—The collector of customs for the Philippine Archipelago, at Manila, and the collectors of customs at the respective ports of Iloilo, Cebu, Zamboanga, and Jolo, and such provincial treasurers and others officers or persons as may be hereafter designated as registrars or deputy registrars of Chinese, pursuant to sections 9 and 10 of said Act No. 702 of the Philippine Commission, will receive

applications in the following form, at the places hereinafter designated, from Chinese persons residing in the Philippine Islands on April 29, 1902:

Application No. *

PHILIPPINE CUSTOMS SERVICE.

Form No.

Application of Chinese laborer (or Chinese person other than a laborer) for certificate of residence under act of Congress of April 29, 1902.

I,, a Chinese, hereby make application to the registrar of Chinese for the registration district of, P. I., for a certificate of residence, under the provisions of the act of Congress of April 29, 1902, and Act No. 702 of the Philippine Commission passed in pursuance thereof, and declare that I arrived in the Philippine Islands on the day of, 1902, at the port of, ex S. S.; that I was lawfully within the limits of said islands, residing at, on the 29th day of April, 1902; that I have not been convicted of a felony in any court of the States or Territories of the United States or of the Philippine Islands, and that the following descriptive list of myself is true and correct in every particular, viz:

Name	place of birth
date of birth	registry of birth (if any)
occupation	age
color of eyes	height
complexion	weight in pounds
physical marks or peculiarities for identification	
Local residence	

I further declare that the three photographs submitted with this application are true likenesses of myself.

Subscribed and sworn to before me this day of, 1902, at, P. I.

.....
Certificate of residence No., issued in pursuance hereof.

..... Registrar of Chinese,
Registration district of

PAR. III. No application shall be received later than 12 o'clock noon on September 30, 1903, nor shall any certificate of residence be issued to persons failing to present their applications before said hour and date.

PAR. IV. *Photographs.*—Every applicant shall be required to furnish three unmounted photographs of him or herself, one of which shall be firmly affixed with strong glue or paste to the original certificate of residence, one to the duplicate, and one to the triplicate in the book of certificates. Great care shall be taken in receiving the photographs to see that they accurately represent the features of the applicant.

If the registrar or deputy registrar of Chinese is in doubt as to the faithfulness of a photograph presented, he shall refuse to receive the application and require proper photographs.

The photographs shall be sun pictures, such as are usually known as card photographs, of sufficient size and distinctness plainly and accurately to represent the entire face of the applicant, the head to be not less than 1½ inches from base of hair to base of chin. No tintype, or picture other than as above described, shall be received.

PAR. V. *Certificates of residence.*—Certificates of residence, bound in books of one hundred certificates in triplicate, each, and numbered consecutively, in the following form, will be furnished by this office to registrars and deputy registrars of Chinese:

Certificate of residence No.

Form No.

PHILIPPINE CUSTOMS SERVICE.

Certificate of residence issued to Chinese laborer (or Chinese person other than a laborer) under the provisions of act of Congress of April 29, 1902.

This is to certify that, a Chinese, now residing at, P. I., has made application (No.)* of this registration office for a

* Applications shall be numbered consecutively by each registrar or deputy registrar in the order in which they are received at his station, starting in each case with No. 1. Thus, each registrar and deputy registrar will have a separate and distinct series of application numbers running from No. 1 up.

† If the applicant can sign his name in English, he should do so; if he can not sign in English, he should sign in Chinese characters, the registrar or deputy registrar in that case writing the English equivalent beneath the signature. If the applicant can not sign his name at all, he should make his mark in the usual form.

CERTIFICATE OF RESIDENCE

under the provisions of the act of Congress of April 29, 1902, and of Act No. 702 of the Philippine Commission passed in pursuance thereof, and I hereby certify that it appears from the application submitted by the Chinese person above named and from investigation made by me that said was within the limits of the Philippine Islands on the 29th day of April, 1902, and was then residing at, and that he was at that time lawfully entitled to remain in the said islands, and that the following is a descriptive list of the said Chinese person:

Name.....	place of birth.....
date of birth.....	registry of birth (if any).....
occupation.....	age.....
color of eyes.....	height.....
complexion.....	weigh in pounds.....
physical marks or peculiarities for identification.....	
Local residence.....	

And as a further means of identification I have affixed hereto a photographic likeness of the said and his true signature, as follows

Given under my hand and official seal this
day of, 1903, at
P. I.

[PHOTOGRAPH.]

‡[SEAL.]

..... Registrar of Chinese,
Registration District of
Insular collector's number.....

Approved:

[SEAL OF INSULAR COLLECTOR OF CUSTOMS.]

Collector of Customs for the Philippine Archipelago.

PAR. VI. The form of certificate of residence prescribed in the preceding Paragraph V of these regulations shall be issued to all Chinese persons entitled thereto by virtue of their lawful residence in the Philippine Islands on April 29, 1902, whether said persons are actually in these islands and make application therefore before 12 o'clock noon, September 30, 1903, or whether they may be still temporarily absent from these islands with intent to return when the regular registration period expires (September 30, 1903): *Provided*, That in said latter case they return, are duly landed and make regular application (see Par. II hereof) for a certificate of residence within one year from the date of their departure from these islands, or in case their legal period of absence under "Return certificate," issued pursuant to the Chinese exclusion laws in force in these islands since April 29, 1892, has been extended to two years: *Provided*, That such persons return and make said regular application for a certificate of residence within two years from the date of their departure.

In order that this regulation may be fully understood attention is invited to the fact that Chinese persons lawfully resident in these islands on April 29, 1902, who have left the islands in good faith since that date are properly considered as residents of the Philippine Islands, just as if they were actually in the islands: *Provided always*, That they left for a temporary sojourn outside of the islands, with intent to return, and without evident intent to give up their lawful residence in the Philippines. Intent to return would usually be shown by the taking out of a return certificate, except in the cases of merchants, officials, teachers, students, and travelers for curiosity or pleasure, who form the exempt classes and are not required to take out return certificates.

PAR. VII. After signing each certificate of residence in triplicate the registrar or deputy shall affix his official seal thereto, as indicated on the form of certificate, in such manner that part of the seal impression will be made on the photograph which is affixed to the certificate.

The registrar or deputy shall also write across the face of each photograph, in triplicate, with red ink (but not across the features of the photograph), the number of the certificate as given by him and the name of the Chinese person to whom the same is to be issued.

PAR. VIII. All books of certificates of residence shall be kept in the offices of the respective registrars and deputy registrars of Chinese, and all such certificates shall be issued from those offices only.

PAR. IX. *Disposition to be made of applications and duplicate and triplicate certificates of residence.*—In all cases the original, duplicate, and triplicate certificates of residence shall

* Insert number of application made to registrar or deputy registrar issuing this certificate of residence.

† If the applicant can sign his name in English, he should do so; if he can not sign in English, he should sign in Chinese characters, the registrar or deputy registrar in that case writing the English equivalent beneath the signature. If the applicant can not sign his name at all, he shall make his mark in the usual form.

‡ The official seal of the collector of customs, provincial treasurer, provincial deputy treasurer, or other person designated as registrar or deputy registrar of Chinese, shall be firmly impressed here on the original, duplicate, and triplicate of each certificate of residence in such manner as to cover a substantial portion of the photographs, but not to obscure the features.

be filled out in precisely the same way. Upon completion of the forms, including the affixing of photographs, all signatures and seals, the original and duplicate certificates shall be detached from the books and be forwarded, at the earliest practicable date—by registered mail, whenever possible—to the collector of customs for the Philippine Archipelago at Manila. Upon their receipt here the originals and duplicates thus forwarded will be approved and given the insular collector's number, and will then be promptly returned by registered mail, whenever possible, to the forwarding registrar or deputy.

Registrars and deputy registrars, upon receiving the originals and duplicates duly approved and numbered by the insular collector, shall promptly fill in the blank for the insular collector's number on the triplicate certificate, to make the same correspond with the original and duplicate.

All applications and triplicate certificates of residence shall be kept on file in the offices of the respective registrars and deputy registrars until 12 o'clock noon, September 30, 1903, when all of said applications and triplicate certificates (left attached to the books), together with all unused certificates (originals, duplicates, and triplicates, also left attached in the books), shall be promptly transmitted, by registered mail, if possible, to the collector of customs for the Philippine Archipelago.

All duplicate certificates, upon their return from the insular collector of customs, approved and numbered, shall be carefully filed in the permanent records of the offices of the respective registrars and deputy registrars, and shall be regarded as official documents of the government of the Philippine Islands.

PAR. X. Identification cards.—Before forwarding the original and duplicate certificates, as prescribed by the preceding paragraph of these regulations, the respective registrars or deputy registrars shall issue an "identification card" to each Chinese person entitled to an original certificate of residence, informing him that he should call for his certificate and present his identification card at a time to be designated by each registrar or deputy registrar when the return mail might with safety be expected. Care should be taken in this respect to allow ample time for the return of the certificates from the insular collector of customs, in order that the applicants may not be required to make unnecessary trips to the offices of the respective registrars or deputies to obtain their certificates.

The form of said "identification cards" shall be as follows:

No.	PHILIPPINE CUSTOMS SERVICE.	Form No.
<i>Identification Card.</i>		
Issued by me this day of, 1903, to,		
a Chinese residing at		
who presented Application No. of this Registration Office, and for whom Certificate		
of Residence No. has been forwarded to the Insular Collector of Customs for approval.		
The following is a descriptive list of said		
Date of birth	Place of birth	
Registry of birth (if any)	Age	
Occupation	Height	
Color of eyes	Weight in pounds	
Complexion	Physical marks or peculiarities for identification	
This Identification Card is to be presented at this Office on or not exceeding ten days after		
....., 1903.		
..... Registrar of Chinese,		
Registration District of		

PAR. XI. Identification cards shall be taken up and filed upon delivery of the original certificate.

PAR. XII. When "identification cards" are surrendered by holders in order to obtain the original certificates of residence, the registrar or deputy registrar shall write or stamp the word "canceled" in red ink across the face of the card, together with the date of said cancellation.

Each registrar and deputy registrar shall number, consecutively, all identification cards issued by him, starting in each case with "Number 1."

PAR. XIII. Books of certificates of residence.—The books of certificates of residence, containing the triplicate certificates, shall be carefully retained on file in the offices of the respective registrars and deputy registrars until final disposition in accordance with Paragraph IX of these regulations.

PAR. XIV. Delivery of certificates of residence.—None but the original certificates of residence shall under any circumstances be delivered by registrars or deputies, temporarily or otherwise, to any person, except for the purpose of transmitting the same to the insular collector of customs as prescribed by Paragraph IX of these regulations, and neither duplicate nor triplicate certificates in the possession of persons other than the registrars or

deputy registrars, or other duly appointed custodians, shall be valid, lawfully possessed, or be recognized in any way:

Provided, That duplicates of original certificates issued pursuant to section 4 of act No. 702 of the Philippine Commission, as hereinafter prescribed by these regulations, shall be valid, lawful, and recognized as therein set forth.

PAR. XV. All certificates of residence, originals, duplicates, and triplicates, shall be legibly made out, in printing or writing, with black ink not liable to fade. Special ink for this purpose will be furnished by this office to registrars and deputies wherever it is possible to do so.

PAR. XVI. *Certificates of residence for Chinese persons other than laborers.*—The same forms shall be used in issuing certificates of residence to Chinese persons other than laborers as are used for certificates to laborers, by inserting between the words "Chinese" and "laborer," wherever they appear in said form, the words "person other than," a blank space being provided in each form sufficient to admit of writing the four words "person other than laborer."

PAR. XVII. *Issuance of certificates of residence in lieu of others lost or destroyed.*—A duplicate of a certificate of residence may be issued by the collector of customs for the Philippine Archipelago upon the receipt of written application to him therefor, through the registrar or deputy in whose registration district the original certificate was issued, together with evidence satisfactory to him, in the form of an affidavit or affidavits, that the original has been lost or destroyed by unavoidable accident and without fault or negligence on the part of the applicant. All such applications shall be promptly investigated by the registrar or deputy, as the case may be, and shall then be forwarded, together with a recommendation as to the merits of the particular case, to the collector of customs for the Philippine Archipelago. In all such cases the identity of the applicant with the person to whom the original certificate was issued must be assured, and to that end regular photographs in triplicate of the applicant must be presented therewith, which, after comparison and identification with the photograph filed with his duplicate certificate, shall be attached to the certificate of residence issued in lieu of the one lost or destroyed, and the regular duplicate and triplicate certificates on file in the respective offices of the registrar (or deputy) and the insular collector.

PAR. XVIII. *Record of certificates issued.*—Upon the expiration of the time limit allowed for the issuance of certificates of residence, an alphabetical record of all certificates issued under these regulations will be compiled by this office and kept for official reference, and for assistance in connection with the enforcement of the Chinese exclusion laws of these islands.

PAR. XIX. *Definitions of classes of Chinese persons.*—All classes of skilled and unskilled manual laborers, including Chinese employed in mining, fishing, huckstering, peddling, laundering, or those engaged in taking, drying, or otherwise preserving shell or other fish for home consumption, shall be classed as "laborers." A person, in order to be exempted from the operation of law as a "merchant," must be engaged in buying and selling merchandise at a fixed place of business, which business is conducted in his name, and who, during the time he claims to be engaged as a merchant, does not engage in the performance of any manual labor except such as is necessary in the conduct of his business as such merchant. A small shopkeeper shall not be considered a merchant.

PAR. XX. *Landing certificates of residence; application for same.*—Every Chinese person entitled to a certificate of residence by virtue of his or her lawful residence in the Philippine Islands on April 29, 1902, who is not actually in or legally resident in these islands (see Par. VI) and therefore fails to make regular application for the form of certificate of residence prescribed by sections V and VI of these regulations before twelve o'clock noon, September 30, 1903, shall, upon arrival in these islands and being lawfully landed, if he or she so requests, be granted a certificate which, to distinguish it from the regular certificate of residence hereinbefore prescribed, shall be referred to and known as a "landing certificate of residence."

PAR. XXI. Landing certificates of residence shall be issued pursuant to section 7 of act No. 702 of the Philippine Commission, and they, together with the applications therefor, shall be in the following forms:

Application for landing certificate of residence No.^a

Form No.

PHILIPPINE CUSTOMS SERVICE.

Application of Chinese person for landing certificate of residence, under section 7 of act No. 702 of the Philippine Commission.

I, a Chinese hereby make application to the collector of customs of the port of P. I., for a landing certificate of residence, under the provisions of section 7 of act No. 702 of the Philippine Commission, and declare that I arrived in the Philippine Islands on the day of 190.., at the port of ex s. s. that I have not been convicted of a felony in any court of the States or Territories of the United States or of the Philippine Islands, and that the following descriptive list of myself is true and correct in every particular, viz:

Name	Place of birth
Date of birth	Age
Registry of birth (if any)	Height
Occupation	Weight in pounds
Color of eyes	Complexion
Physical marks or peculiarities for identification	

I further declare that the three photographs submitted with this application are true likenesses of myself.

Subscribed and sworn to before me this day of 190.., at P. I.

Landing certificate of residence No.^b
issued in pursuance hereof.

Collector of Customs,
Port of P. I.

^aApplications shall be numbered consecutively by each collector of customs in the order in which they are received at his port, starting in each case with No. 1. Thus, each collector of customs will have a separate and distinct series of application numbers running from No. 1 up.

^bIf the applicant can sign his name in English, he should do so; if he can not sign in English, he should sign in Chinese characters, the collector of customs in that case writing the English equivalent beneath the signature. If the applicant can not sign his name at all, he shall make his mark in the usual form.

Landing certificate of residence No.

Form No.

PHILIPPINE CUSTOMS SERVICE.

PORT OF, P. I.

*Landing certificate of residence issued to Chinese person under the provisions of section 7 of act No. 702 of the Philippine Commission.*This is to certify that a Chinese
recently landed at this port, has made application (No.) at this custom-house for a

LANDING CERTIFICATE OF RESIDENCE

under the provisions of section 7 of act No. 702 of the Philippine Commission, and I hereby certify that it appears from the said application submitted by the Chinese person above named and from investigation made by me that said and that he is now lawfully entitled to land in these islands, and that the following is a descriptive list of the said Chinese person:

Name	Place of birth
Date of birth	Age
Registry of birth (if any)	Height
Occupation	Weight in pounds
Color of eyes	
Complexion	
Physical marks or peculiarities for identification	
Last residence	

And as a further means of identification I have affixed hereto a photographic likeness of the said and his true signature, as follows:

Given under my hand and official seal this
..... day of
190., at the Port of, P. I.

[PHOTOGRAPH.]

[SEAL.]
Collector of Customs,
Port of
Insular collector's number.....

Approved:

[SEAL OF INSULAR COLLECTOR OF CUSTOMS.]

Collector of Customs for the Philippine Archipelago.

^a Insert number of application made to collector of customs issuing landing certificate of residence.^b If the applicant can sign his name in English, he should do so; if he can not sign in English, he should sign in Chinese characters, the collector of customs in that case writing the English equivalent beneath the signature. If the applicant can not sign his name at all, he shall make his mark in the usual form.^c The official seal of the collector of customs shall be firmly impressed here on the original, duplicate, and triplicate of each landing certificate of residence in such manner as to cover a substantial portion of the photograph, but not to obscure the features.

PAR. XXII. The general rules hereinbefore prescribed for the issuance and disposition of regular applications and certificates of residence shall likewise apply to applications for and landing certificates of residence, which will be furnished by this office to collectors of customs bound in books of one hundred certificates in triplicate, each, and numbered consecutively, starting with number 1.

PAR. XXIII. *Landing identification cards.*—Before detaching from the books and forwarding the original and duplicate landing certificates of residence to the collector of customs for the Philippine Archipelago, in the manner prescribed for regular certificates of residence, the respective collectors of customs shall issue a "Landing identification card" to each Chinese person entitled to an original landing certificate of residence, informing him that he should call for his certificate and present his landing identification card at a time to be designated by each collector of customs, when the return mail might be with safety expected. Care should be taken in this respect to allow ample time for the return of the certificates from the insular collector of customs, in order that the applicants may not be required to make unnecessary trips to the offices of the respective collectors of customs to obtain their certificates.

The form of said "Landing identification cards" shall be as follows:

No.

PHILIPPINE CUSTOMS SERVICE.

Form No.

PORT OF....., P. I.

Landing identification card.

Issued by me this.....day of.....1903, to.....
 a Chinese.....last residing at....., who presented
 application for landing certificate of residence No.....at this custom-house,
 and for whom landing certificate of residence No.....has been forwarded to
 the insular collector of customs for approval. The following is a descriptive list of said.....:
 Date of birth.....; Place of birth.....
 Registry of birth (if any).....
 Occupation.....Age.....
 Color of eyes.....Height.....
 Complexion.....Weight in pounds.....
 Physical marks or peculiarities for identification.....

This landing identification card is to be presented at this custom-house on or not exceeding ten days after....., 190.....

Collector of Customs,
 Port of....., P. I.

Landing identification cards shall be taken up and destroyed upon delivery of the original landing certificates of residence.

PAR. XXIV. *Books of landing certificates of residence.*—The books of landing certificates of residence, containing the triplicate certificates, shall be retained securely on file in the offices of the respective collectors of customs until further instructions from this office.

PAR. XXV. Great care shall be taken not to confuse these landing certificates of residence in any way with the regular certificates of residence.

PAR. XXVI. Every Chinese person who is not entitled to a certificate of residence by virtue of his or her lawful residence in these islands on April 29, 1902, but who nevertheless may be entitled to come into these islands, shall, upon arrival, if he or she so requests, be likewise granted a landing certificate of residence, as prescribed by said section 7 of Act No. 702 of the Philippine Commission, which for convenience is herewith quoted:

"SEC. 7. Every Chinese person who may be entitled to come into the Philippine Islands shall upon landing, if he so requests, be given by the collector of customs of the port at which he lands a certificate containing his name, age, photograph, occupation, place of last residence, the date on which he landed, and such other data in respect to him as may be prescribed by the insular collector of customs, and such certificate shall be issued upon payment to the proper officer of fifty cents, United States currency, accompanied by a true photograph of the applicant, in triplicate, to the satisfaction of such officer."

PAR. XXVII. *Responsibility for and loss of certificates.*—All certificates of residence, originals, duplicates, and triplicates, as well as landing certificates of residence, shall be exactly accounted for, and registrars and deputy registrars of Chinese are hereby made officially accountable for all books of certificates or landing certificates of residence, and other forms transmitted to them.

In case any certificate, original, duplicate, or triplicate, should be lost or destroyed, a special report of that fact shall be promptly transmitted to this office, together with an affidavit of the registrar or deputy accountable for the lost or destroyed certificate, showing the cause of and facts in relation to such loss or destruction.

Great care is enjoined upon all registrars and deputies to prevent any occurrence of this kind.

PAR. XXVIII. *Reports.*—Registrars and deputy registrars are hereby directed promptly to report, upon receipt of these regulations, on the following questions, and otherwise comply with the following requests from this office:

(1) Whether they have an official seal.

(2) If so, send three impressions of the same on separate sheets of fairly thick, blank paper

NOTE.—Provincial treasurers and their deputies may draw a square or lines around the impressions to prevent any improper use of the same.

(3) Send three signatures, over official title, as collector of customs, treasurer, deputy treasurer, etc., as the case may be (not as registrar or deputy registrar), on separate sheets of blank paper.

NOTE.—Signatures may be lined in as suggested for seals, in order to prevent improper use of same.

(4) Report estimated number of Chinese persons in their respective registration districts at the present time. This estimate should be made independently by each registrar and deputy registrar for the entire registration district in which he is stationed.

(5) Registrars (only) to report the most conveniently located and easily reached towns

for the purpose of stationing registration officers in their respective registration districts, including the capital of each province forming part of said registration district and at least one other town in each province.

(6) Registrars (only) to report what facilities exist in each of said towns, or at other places in the respective registration districts, for having photographs taken, of the kind prescribed by these regulations.

In replying to these questions, answers should be numbered to correspond to each question.

PAR. XXIX. All official telegrams to this office shall be addressed to the "Collector of customs, Manila," and shall be signed "———, (last name) Registrar," or "Deputy Registrar," as the case may be.

PAR. XXX. *Caution.*—Registrars and deputy registrars of Chinese are hereby cautioned against permitting their subordinates to receive, directly or indirectly, any gratuity or thing of value from Chinese persons or others interested in their behalf, in connection with application for or the issuance of these certificates.

As all persons employed by registrars or deputy registrars in this work become thereby officers or employees of the government of the Philippine Islands, the following portion of section 315 of the Philippine customs administrative act is hereby quoted for the information of all concerned:

"SEC. 315. Any person who * * * shall by threats or demands, or promises of any character, attempt to improperly influence or control any such officer or employee of the government of the Philippine Islands as to the performance of his official duties, shall, on conviction thereof, be fined not exceeding two thousand dollars, or be imprisoned at hard labor not more than five years, or both, in the discretion of the court; and evidence of such giving or offering or promising to give, satisfactory to the court in which such trial is had, shall be regarded as prima facie evidence that such giving or offering or promising was contrary to law, and shall put upon the accused the burden of proving that such act was innocent and not done with unlawful intention."

In this connection section 6 of Act No. 702 of the Philippine Commission is herewith quoted:

"Sec. 6. Any person who shall knowingly and falsely alter or substitute any name for the name written in any certificate of registration or forge such certificate, or knowingly utter any forged or fraudulent certificate, or falsely personate the person to whom said certificate was originally issued, or who shall falsely present any such certificate, shall be punished by a fine of not to exceed one thousand dollars and imprisoned for a term not to exceed five years."

PAR. XXXI. *Accounts of certificates issued and fees collected.*—Collectors of customs, provincial treasurers, and other persons acting as registrars and deputy registrars of Chinese will be debited at the rate of fifty cents United States currency for each certificate of residence in triplicate transmitted to them, and at the end of each month during the period of registration a detailed report, on the form furnished for that purpose, showing the number of certificates received, the number of certificates issued, and the amount of fees collected therefor and transmitted to the insular collector of customs, per invoice (giving the invoice number), with statement of date of transmittal, and of the number of certificates remaining on hand, shall be forwarded to the insular collector of customs within ten days after the close of each month.

Each certificate shall show on the face thereof a notation of the amount, if any, collected in Mexican currency and the authorized rate at which such Mexican currency was received in payment of each certificate.

PAR. XXXII. When ready for the approval of the insular collector of customs the original and duplicate certificates of residence shall be accompanied by a cash remittance in the form of a post-office money order for the total amount due therefor.

PAR. XXXIII. The fee of fifty cents United States currency provided for in Act No. 702 of the Philippine Commission shall be paid by each Chinese person at the time his or her application is received and accepted.

PAR. XXXIV. *No receipts to be issued.*—Registrars and deputy registrars of Chinese shall not issue receipts (other than the identification cards) to Chinese persons paying the fee for certificates, and no accounting for such moneys shall be made except to the collector of customs for the Philippine Archipelago, by whom the money will be accounted for to the auditor.

The fees received under Act No. 702 of the Philippine Commission shall in no wise be confused or commingled with the ordinary office collections of those officials who are acting in the capacity of registrars or deputy registrars of Chinese.

PAR. XXXV. The expression "Chinese person" whenever used in these regulations shall be taken to include both sexes and all ages.

PAR. XXXVI. *Descriptive terms generally employed in certificates.*—For the information of registrars and deputy registrars of Chinese, the following descriptive terms generally employed in certificates granted to Chinese persons are hereby published.

Under the head of "complexion" the words usually employed are: Light; dark; medium; olive; leather colored.

Under the heading of "color of eyes" the following: Dark blue; black.

Under the heading "hair" the following: Gray; thin; bald; black.

The following "physical marks or peculiarities for identification" should also be noted: Scars; moles; pock marks; birth marks; deformities; injuries, such as finger gone, ears pierced or clipped, eye destroyed; large or small feet; sharp nose; thick lips; protruding teeth; prominent ears; prominent cheek bones; long face; round face, etc.

PAR. XXXVII. *Notices to Chinese; time for commencing actual registration.*—Upon receipt of these regulations registrars and deputy registrars of Chinese shall take immediate steps to give notice, through prominent Chinese persons and by posting suitable notices and extracts from these regulations, in English, Spanish, and Chinese, in the Chinese quarters of their respective registration districts, in order that all Chinese persons residing in said registration districts may be apprised of the purport and requirements of Act No. 702 of the Philippine Commission, and further, of the fact that applications for certificates of residence will be received from June 1, 1903, to September 30, 1903, at the place or places to be designated by registrars and deputy registrars, respectively, in such notices.

PAR. XXXVIII. The period for the actual registration as prescribed in the preceding paragraphs of these regulations has been fixed in the belief that the books of certificates of residence and all other necessary blanks and equipment will be in the hands of registrars and deputy registrars by that time. The actual registration period will thus include the months of June, July, August, and September of the present year.

PAR. XXXIX. This registration period, like many of the other provisions of these regulations, is tentative and subject to modification by subsequent instructions from this office.

PAR. XL. *Prescribing Chinese registration districts.*—For the purposes of these regulations the Philippine Archipelago is hereby divided into the following Chinese registration districts:

MANILA.

1. The Manila registration district, which shall include the city of Manila, the provinces of Rizal, Cavite, La Laguna, Bulacan, Pampanga, Bataan, and Infanta; the island of Lubang and adjacent islands.

CEBU.

2. The Cebu registration district, which shall include the city of Cebu, the island of Cebu, the Province of Oriental Negros, and the islands of Bohol, Leyte, Poro, Biliran, and Siquijor.

ILOILO.

3. The Iloilo registration district, which shall include the city of Iloilo, the island of Panay, the province of Occidental Negros, the Cagayan Islands, and the islands of Cuyo and Guimaras.

JOLO.

4. The Jolo registration district, which shall include all of the islands of the Jolo Archipelago, the island of Cagayan de Jolo, and all islands south of the latitude of the southern point of the island of Basilan.

ZAMBOANGA.

5. The Zamboanga registration district, which shall include the province of Zamboanga, the island of Basilan, and all adjacent islands between the latitude of the southern point of the island of Basilan and the seventh parallel of latitude.

PARAGUA.

6. The Paragua registration district, which shall include the island of Paragua, the Calamianes Islands, the island of Balabac, and all islands adjacent thereto.

CAGAYAN.

7. The Cagayan registration district, which shall include the province of Cagayan.

ILOCOS.

8. The Ilocos registration district, which shall include the provinces of Ilocos Norte and Ilocos Sur.

ABRA.

9. The Abra registration district, which shall include the province of Abra.

LEPANTO-BONTOC.

10. The Lepanto-Bontoc registration district, which shall include the province of Lepanto-Bontoc.

ISABELA.

11. The Isabela registration district, which shall include the province of Isabela.

UNION.

12. The Union registration district, which shall include the provinces of Union and Benguet.

NUEVA VIZCAYA.

13. The Nueva Vizcaya registration district, which shall include the province of Neuva Vizcaya.

PANGASINAN.

14. The Pangasinan registration district, which shall include the province of Pangasinan.

ZAMBALES

15. The Zambales registration district, which shall include the province of Zambales.

TARLAC.

16. The Tarlac registration district, which shall include the province of Tarlac.

NUEVA ECUIA.

17. The Nueva Ecija registration district, which shall include the provinces of Nueva Ecija and Principe.

BATANGAS.

18. The Batangas registration district, which shall include the province of Batangas and the islands of Maricaban and Verde.

TAYABAS.

19. The Tayabas registration district, which shall include the province of Tayabas and the island of Marinduque.

MINDORO.

20. The Mindoro registration district, which shall include the island of Mindoro.

ROMBLON.

21. The Romblon registration district, which shall include the province of Romblon and all islands included therein.

CAMARINES.

22. The Camarines registration district, which shall include the provinces of Camarines Norte and Camarines Sur and the island of Catanduanes.

ALBAY.

23. The Albay registration district, which shall include the province of Albay and the island of Burias.

SORSOGON.

24. The Sorsogon registration district, which shall include the province of Sorsogon and the islands of Masbate and of Ticao.

SAMAR.

25. The Samar registration district, which shall include the island of Samar and adjacent islands.

SURIGAO.

26. The Surigao registration district, which shall include the province of Surigao and the islands of Dinagat and Siargao.

MISAMIS.

27. The Misamis registration district, which shall include the province of Misamis and the island of Camiguin.

DAPITAN.

28. The Dapitan registration district, which shall include the province of Dapitan.

COTTABATO.

29. The Cottabato registration district, which shall include the province of Cottabato.

DAVAO.

30. The Davao registration district, which shall include the province of Davao and the islands of Sarangani, Samal, and Balut.

PAR. XLI. The above division of this archipelago into Chinese registration districts shall be considered as tentative only, until the same shall be confirmed or amended by further order of this office.

PAR. XLII. *Appointments of registrars and deputies—Manila.*—The insular collector of customs is hereby announced as the registrar of Chinese, and the treasurers of Rizal, Cavite, La Laguna, Bulacan, Pampanga, Bataan, and Infanta provinces, respectively, are hereby temporarily appointed deputy registrars of Chinese for the Manila registration district, and said treasurers shall be under the jurisdiction and supervision of the registrar of Chinese at Manila.

PAR. XLIII. *Cebu.*—The collector of customs for the port of Cebu is hereby temporarily appointed registrar of Chinese for the Cebu registration district.

The treasurers of the provinces of Oriental Negros and Leyte, and of the island of Bohol, and the coast district inspectors of customs at Tacloban and Dumaguete are hereby temporarily appointed deputy registrars of Chinese for the Cebu registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of Cebu.

PAR. XLIV. *Iloilo.*—The collector of customs for the port of Iloilo is hereby temporarily appointed registrar of Chinese for the Iloilo registration district, and the treasurers of the provinces of Capiz, Antique, and Occidental Negros, the coast district inspectors of customs at the ports of San José de Buena Vista and Capiz, and the deputy coast district inspector of customs at Cuyo, are hereby temporarily appointed deputy registrars of Chinese for the Iloilo registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of Iloilo.

PAR. XLV. *Jolo.*—The collector of customs for the port of Jolo is hereby temporarily appointed registrar of Chinese for the Jolo registration district.

The coast district inspector of customs at Siasi is hereby temporarily appointed deputy registrar of Chinese for the Jolo registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of Jolo.

PAR. XLVI. *Zamboanga.*—The collector of customs for the port of Zamboanga is hereby temporarily appointed registrar of Chinese for the Zamboanga registration district.

PAR. XLVII. *Paragua.*—The coast district inspector of customs at Puerto Princesa is hereby temporarily appointed registrar of Chinese for the Paragua registration district.

PAR. XLVIII. *Cagayan.*—The coast district inspector of customs at Aparri is hereby temporarily appointed registrar of Chinese for the Cagayan registration district.

The treasurer of the province of Cagayan is hereby temporarily appointed deputy registrar of Chinese for the Cagayan registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of Aparri.

PAR. XLIX. *Ilocos.*—The treasurer of the province of Ilocos Norte is hereby temporarily appointed registrar of Chinese for the Ilocos registration district.

The treasurer of the province of Ilocos Sur is hereby temporarily appointed deputy registrar of Chinese for the Ilocos registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese for said district.

PAR. L. *Abra.*—The treasurer of the province of Abra is hereby temporarily appointed registrar of Chinese for the Abra registration district.

PAR. LI. *Lepanto-Bontoc.*—The treasurer of the province of Lepanto-Bontoc is hereby temporarily appointed registrar of Chinese for the Lepanto-Bontoc registration district.

PAR. LII. *Isabela.*—The treasurer of the province of Isabela is hereby temporarily appointed registrar of Chinese for the Isabela registration district.

PAR. LIII. *Union.*—The coast district inspector of customs at San Fernando de la Union is hereby temporarily appointed registrar of Chinese for the Union registration district.

The treasurer of the province of Union is hereby temporarily appointed deputy registrar of Chinese for the Union registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of San Fernando de la Union.

PAR. LIV. *Benguet*.—The treasurer of the province of Benguet is hereby temporarily appointed deputy registrar of Chinese for the Union registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of San Fernando de la Union.

PAR. LV. *Nueva Vizcaya*.—The treasurer of the province of Nueva Vizcaya is hereby temporarily appointed registrar of Chinese for the Nueva Vizcaya registration district.

PAR. LVI. *Pangasinan*.—The treasurer of the province of Pangasinan is hereby temporarily appointed registrar of Chinese for the Pangasinan registration district.

PAR. LVII. *Zambales*.—The deputy coast district inspector of customs at Iba is hereby temporarily appointed registrar of Chinese for the Zambales registration district.

The treasurer of the province of Zambales is hereby temporarily appointed deputy registrar of Chinese for the Zambales registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of Iba.

PAR. LVIII. *Tarlac*.—The treasurer of the province of Tarlac is hereby temporarily appointed registrar of Chinese for the Tarlac registration district.

PAR. LIX. *Nueva Ecija*.—The treasurer of the province of Nueva Ecija is hereby temporarily appointed registrar of Chinese for the Nueva Ecija registration district.

PAR. LX. *Batangas*.—The coast district inspector of customs at Batangas is hereby temporarily appointed registrar of Chinese for the Batangas registration district.

The treasurer of the province of Batangas is hereby temporarily appointed deputy registrar of Chinese for the Batangas registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of Batangas.

PAR. LXI. *Tayabas*.—The treasurer of the province of Tayabas is hereby temporarily appointed registrar of Chinese for the Tayabas registration district.

PAR. LXII. *Mindoro*.—The treasurer of the province of Mindoro is hereby temporarily appointed registrar of Chinese for the Mindoro registration district.

PAR. LXIII. *Romblon*.—The deputy coast district inspector of customs at Romblon is hereby temporarily appointed registrar of Chinese for the Romblon registration district.

The treasurer of the province of Romblon is hereby temporarily appointed deputy registrar of Chinese for the Romblon registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at the port of Romblon.

PAR. LXIV. *Camarines*.—The treasurer of Ambos Camarines is hereby temporarily appointed registrar of Chinese for the Camarines registration district.

PAR. LXV. *Albay*.—The coast district inspector of customs at Legaspi is hereby temporarily appointed registrar of Chinese for the Albay registration district.

The treasurer of the province of Albay is hereby temporarily appointed deputy registrar of Chinese for the Albay registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at Legaspi.

PAR. LXVI. *Sorsogon*.—The coast district inspector of customs at Sorsogon is hereby temporarily appointed registrar of Chinese for the Sorsogon registration district.

The treasurer of the province of Sorsogon and the treasurer of the province of Masbate are hereby temporarily appointed deputy registrars of Chinese for the Sorsogon registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at Sorsogon.

PAR. LXVII. *Samar*.—The coast district inspector of customs at Catbalogan is hereby temporarily appointed registrar of Chinese for the Samar registration district.

The treasurer of the province of Samar is hereby temporarily appointed deputy registrar of Chinese for the Samar registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at Catbalogan.

PAR. LXVIII. *Surigao*.—The coast district inspector of customs at Surigao is hereby temporarily appointed registrar of Chinese for the Surigao registration district.

The treasurer of the province of Surigao is hereby temporarily appointed deputy registrar of Chinese for the Surigao registration district, and shall be under the jurisdiction and supervision of the registrar of Chinese at Surigao.

PAR. LXIX. *Misamis*.—The treasurer of the province of Misamis is hereby temporarily appointed registrar of Chinese for the Misamis registration district.

PAR. LXX. *Cottabato*.—The coast district inspector of customs at Cottabato is hereby temporarily appointed registrar of Chinese for the Cottabato registration district.

PAR. LXXI. Registrars and deputy registrars of Chinese for the Dapitan and Davao registration districts will be announced by a subsequent order.

PAR. LXXII. Philippine customs officers and all registrars and deputy registrars of Chinese shall give due publicity to the terms of this circular.

W. MORGAN SHUSTER,
Collector of Customs for the Philippine Archipelago.

EXHIBIT B.

Registrars and deputy registrars.	District.	Time of service.		Amount paid.
		From—	To—	
Abrams, Chas. W.	Cottabato.	July 9, 1903	Oct. 27, 1903	1,363.33
Allison, A. M.	Union.	July 12, 1903	Dec. 4, 1903	238.33
Ascher, Alfred.	Tayabas.	Aug. 6, 1903	Oct. 29, 1903	140.00
Barclay, W. W.	Cagayan.	July 23, 1903	Oct. 29, 1903	161.67
Barnes, W. B.	Jolo.	Sept. 7, 1903	Nov. 25, 1903	283.33
Barton, Eugene.	Misamis.	Aug. 1, 1903	Dec. 31, 1903	270.00
Beatty, Chas. L.	Surigao.	July 1, 1903	Oct. 31, 1903	400.00
Bennett, George.	Zamboanga.	July 6, 1903	Apr. 29, 1904	980.00
Blaker, Allan G.	Cebu.	May 12, 1903	Sept. 30, 1903	463.33
Blanchard, R. D.	Batangas.	July 23, 1903	Nov. 19, 1903	195.00
Braden, J. Q. A.	Camarines.	June 12, 1903	Jan. 28, 1904	756.67
Brooks, Jr., J. S.	Tayabas.	Aug. 1, 1903	Dec. 29, 1903	248.33
Carson, Chas. W.	Camarines.	Sept. 18, 1903	Nov. 3, 1903	230.00
Casanave, Pedro A.	Samar.	July 1, 1903	Oct. 2, 1903	134.33
Chapman, F. S.	Iloilo.	Sept. 3, 1903	Dec. 29, 1903	135.00
Cheney, Edward F.	do.	Aug. 7, 1903	Oct. 29, 1903	83.00
Coates, Thos. P.	Union.	Apr. 13, 1903	June 12, 1903	100.00
Colton, George R.	Iloilo.	June 1, 1903	Feb. 29, 1904	1,350.00
Condoehr, Julius A.	Sorsogon.	(^a)	(^a)	
Corwine, R. M.	Jolo.	June 10, 1903	Sept. 6, 1903	
		Nov. 26, 1903	Feb. 23, 1904	680.00
		Mar. 1, 1904	Apr. 29, 1904	
Douglass, H. R.	Sorsogon.	Aug. 17, 1903	Dec. 5, 1903	363.33
Emery, Arthur S.	Zambales.	July 13, 1903	Aug. 25, 1903	71.67
Faneuf, Adep G.	Samar.	July 3, 1903	Nov. 23, 1903	470.00
Fanning, Richard J.	Sorsogon.	June 1, 1903	Dec. 31, 1903	350.00
Farwell, J. L.	Albay.	June 17, 1903	Nov. 11, 1903	483.33
Fee, D. E.	Paragua.	Nov. 8, 1903	Jan. 23, 1904	126.67
		June 16, 1903	Oct. 29, 1903	
Gimenez, José.	Cagayan.	Dec. 19, 1903	Dec. 29, 1903	453.33
Goodhart, Richard W.	Manila.	July 2, 1903	Jan. 15, 1904	323.33
Green, J. B.	Nueva Ecija.	June 26, 1903	Dec. 15, 1903	283.33
Greer, James W.	Cebu.	June 1, 1903	Dec. 11, 1903	318.33
Hahn, D. H.	do.	Sept. 10, 1903	Oct. 29, 1903	83.33
Hardeinan, Thomas.	Pangasinan.	June 1, 1903	Feb. 29, 1904	900.00
Hart, George B.	Iloilo.	Aug. 3, 1903	Sept. 14, 1903	70.00
Hill, Edward.	Zamboanga.	Aug. 11, 1903	Oct. 25, 1903	125.00
Hodgson, H. J.	Albay.	May 18, 1903	Sept. 18, 1903	264.67
Hunter, John W.	Abra.	July 1, 1903	Aug. 31, 1903	100.00
Jones, Walter E.	Tarlac.	June 30, 1903	Oct. 29, 1903	200.00
Juniper, David A.	Iloilo.	June 15, 1903	Nov. 13, 1903	149.00
Lamb, Chas. H.	Mindoro.	June 25, 1903	Oct. 29, 1903	208.00
Love, H. K.	Manila.	July 18, 1903	Dec. 20, 1903	270.00
Moir, P. M.	do.	June 1, 1903	Oct. 8, 1903	426.67
McLain, C. C.	Tayabas.	July 1, 1903	Sept. 4, 1903	213.33
McNeil, Jacob R.	Batangas.	July 13, 1903	Nov. 27, 1903	436.67
Newman, Paul.	Cebu.	Aug. 4, 1903	Dec. 29, 1903	486.67
Palin, Chas. L.	Paragua.	June 1, 1903	Sept. 13, 1903	343.33
Pond, Henry A.	Cebu.	June 1, 1903	Aug. 14, 1903	123.33
		June 1, 1903	Aug. 21, 1903	
Rafferty, James J.	do.	Oct. 17, 1903	Feb. 29, 1904	1,075.00
Randall, W. A.	Iloilo.	May 21, 1903	Sept. 4, 1903	269.33
Reamy, B. F.	do.	July 23, 1903	Aug. 28, 1903	60.00
Reinburg, L. G.	Manila.	May 28, 1903	July 18, 1903	85.00
Reis, Julius S.	Romblon.	Aug. 17, 1903	Oct. 23, 1903	111.67
Reynolds, Chas. A.	Albay.	Sept. 18, 1903	Jan. 29, 1904	220.00
Robinson, H. B.	Iloilo.	Sept. 6, 1903	Oct. 20, 1903	75.00
		Aug. 1, 1903	Aug. 31, 1903	
Roddy, W. F.	Jolo.	Nov. 15, 1903	Dec. 12, 1903	50.00
		Nov. 15, 1903	Dec. 12, 1903	
Shaw, Andrew.	Paragua.	Sept. 3, 1903	Nov. 30, 1903	110.67
Shearer, R. M.	Manila.	June 20, 1903	Nov. 23, 1903	258.67
Smith, Warren H.	Ilocos.	June 1, 1903	Sept. 30, 1903	400.00
Stark, Lt. Benjamin.	Davao.	June 1, 1903	Oct. 23, 1903	248.33
Stewart, N. B.	Isabela.	Aug. 10, 1903	Oct. 21, 1903	240.00
Stratton, Guy.	Romblon.	Aug. 31, 1903	Oct. 28, 1903	193.33
		June 1, 1903	Aug. 12, 1903	
Thornnton, Wm. O.	Iloilo.	Sept. 4, 1903	Dec. 29, 1903	193.33
		(^a)	(^a)	
Travis, Gideon B.	Lepanto-Bontoc.	June 29, 1903	Oct. 1, 1903	155.00
Turner, Arthur H.	Zambales.	Aug. 24, 1903	Dec. 21, 1903	196.67
Uppington, C. D.	Cebu.	July 20, 1903	Aug. 3, 1903	23.33
Vanderbrook, J. P.	do.	July 20, 1903	Feb. 29, 1904	355.00
Watson, W. R.	Iloilo.	July 28, 1903	Oct. 27, 1903	25.00
Whittier, Arthur G.	Samar.	Oct. 13, 1903	Oct. 26, 1903	91.66
Whitts, Lt. Samuel.	Dapitan.	Sept. 2, 1903	Oct. 27, 1903	91.66
Wilson, F. L.	Ilocos.	June 13, 1903	Oct. 29, 1903	228.33
York, F. G.	Cebu.	July 29, 1903	Feb. 23, 1904	345.00
Yundt, E. R.	Manila.	(^a)	(^a)	

^a Not compensated on September 1.

EXHIBIT C.

CHINESE AND IMMIGRATION CIRCULAR NO. 141.

Extending time for registration of Chinese to October 29, 1903.

OFFICE OF THE COLLECTOR OF CUSTOMS,
FOR THE PHILIPPINE ISLANDS,
Manila, September 12, 1903.

To all collectors of customs, provincial treasurers, and others concerned:

PARAGRAPH I. Pursuant to Paragraph XXXIX of Chinese and Immigration Circular No. 85 of this office, the time for the registration of Chinese persons in these islands under the provisions of act No. 702 of the Philippine Commission is hereby extended to October 29, 1903.

PAR. II. Paragraphs III, XXXVII, and XXXVIII of said Chinese and Immigration Circular No. 85, are hereby modified so as to conform thereto.

PAR. III. Philippine customs officers and all registrars and deputy registrars of Chinese shall give due publicity to the terms of this circular.

W. MORGAN SHUSTER,
Collector of customs for the Philippine Islands.

EXHIBIT D.

[ACT No. 989.]

AN ACT amending section fifteen of act numbered seven hundred and two by extending the time for completing the registration of Chinese in the Philippine Islands.

By authority of the United States, be it enacted by the Philippine Commission, That whereas it was impossible to complete the registration of all Chinese persons in the Philippine Islands within the six months ending October twenty-ninth, nineteen hundred and three, in accordance with section fifteen of act numbered seven hundred and two, the time for such registration is, pursuant to authority granted by section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, hereby extended for a period of two months to date from October twenty-ninth, nineteen hundred and three.

SEC. 2. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 3. This act shall take effect on its passage.

Enacted, November 9, 1903.

EXHIBIT E.

[ACT No. 1035.]

AN ACT amending section fifteen of act numbered seven hundred and two, and section one of act numbered nine hundred and eighty-nine, by extending the time for completing the registration of Chinese in the Philippine Islands.

Whereas it was impossible to complete the registration of all Chinese persons in the Philippine Islands within the eight months ending December twenty-ninth, nineteen hundred and three, as provided in acts numbered seven hundred and two and nine hundred and eighty-nine: Therefore,

By authority of the United States, be it enacted by the Philippine Commission, That the time for such registration is, pursuant to authority granted by section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, hereby extended for a period of two months, to date from December twenty-ninth, nineteen hundred and three.

SEC. 2. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 3. This act shall take effect on its passage.

Enacted, January 6, 1904.

EXHIBIT B.

Registrars and deputy registrars.	District.	Time of service.		Amount paid.
		From—	To—	
Abrams, Chas. W.	Cottabato	July 9, 1903	Oct. 27, 1903	P 363.33
Allison, A. M.	Union	July 12, 1903	Dec. 4, 1903	238.33
Ascher, Alfred	Tayabas	Aug. 6, 1903	Oct. 29, 1903	140.00
Barclay, W. W.	Cagayan	July 23, 1903	Oct. 29, 1903	161.67
Barnes, W. B.	Jolo	Sept. 7, 1903	Nov. 25, 1903	263.33
Barton, Eugene	Misamis	Aug. 1, 1903	Dec. 31, 1903	250.00
Betty, Chas. L.	Surigao	July 1, 1903	Oct. 31, 1903	400.00
Bennett, George	Zamboanga	July 6, 1903	Apr. 29, 1904	980.00
Blaker, Allan G.	Cebu	May 12, 1904	Sept. 30, 1903	463.33
Blanchard, R. D.	Batangas	July 23, 1903	Nov. 19, 1903	195.00
Braden, J. Q. A.	Camarines	June 12, 1903	Jan. 28, 1904	756.67
Brooks, Jr., J. S.	Tayabas	Aug. 1, 1903	Dec. 29, 1903	248.33
Carson, Chas. W.	Camarines	Sept. 18, 1903	Nov. 3, 1903	230.00
Casanave, Pedro A.	Samar	July 1, 1904	Oct. 2, 1903	153.33
Casman, F. S.	Hiloilo	Sept. 3, 1903	Dec. 29, 1903	135.00
Cheney, Edward F.	do	Aug. 7, 1903	Oct. 29, 1903	83.00
Coates, Thos. P.	Union	Apr. 13, 1903	June 12, 1903	109.00
Colton, George R.	Hiloilo	June 1, 1903	Feb. 29, 1904	1,350.00
Comdohr, Julius A.	Sorsogon	(a)	(a)	.....
Corwine, R. M.	Jolo	June 10, 1903	Sept. 6, 1903	.....
		Nov. 26, 1903	Feb. 23, 1904	690.00
		Mar. 1, 1904	Apr. 29, 1904	.....
Douglass, H. R.	Sorsogon	Aug. 17, 1903	Dec. 5, 1903	363.33
Emery, Arthur S.	Zambales	July 13, 1903	Aug. 25, 1903	71.67
Fancuf, Adolph G.	Samar	July 3, 1903	Nov. 23, 1903	470.00
Fanning, Richard J.	Sorsogon	June 1, 1903	Dec. 31, 1903	356.00
Farwell, J. L.	Albay	June 17, 1903	Nov. 11, 1903	483.33
Fee, D. E.	Paragua	Nov. 8, 1903	Jan. 23, 1904	126.67
Gimenez, José	Cagayan	June 16, 1903	Oct. 29, 1903	453.33
		Dec. 19, 1903	Dec. 29, 1903	.....
Goodhart, Richard W.	Manila	July 2, 1903	Jan. 15, 1904	323.33
Green, J. B.	Nueva Ecija	June 26, 1903	Dec. 15, 1903	283.33
Greer, James W.	Cebu	June 1, 1903	Dec. 11, 1903	318.33
Hahn, D. H.	do	Sept. 10, 1903	Oct. 29, 1903	82.33
Hardeman, Thomas	Pangasinan	June 1, 1903	Feb. 29, 1904	900.00
Hart, George B.	Hiloilo	Aug. 3, 1903	Sept. 14, 1903	70.00
Hill, Edward	Zamboanga	Aug. 11, 1903	Oct. 25, 1903	125.00
Hodgson, H. J.	Albay	May 18, 1903	Sept. 18, 1903	261.67
Hunter, John W.	Abra	July 1, 1903	Aug. 31, 1903	100.00
Jones, Walter E.	Tarlac	June 30, 1903	Oct. 29, 1903	209.00
Juniper, David A.	Hiloilo	June 15, 1903	Nov. 13, 1903	149.00
Lamb, Chas. H.	Mindoro	June 25, 1903	Oct. 29, 1903	206.00
Love, H. K.	Manila	July 18, 1903	Dec. 20, 1903	270.00
Moir, P. M.	do	June 1, 1903	Oct. 8, 1903	426.67
McLain, C. C.	Tayabas	July 1, 1903	Sept. 4, 1903	213.33
McNeil, Jacob R.	Batangas	July 13, 1903	Nov. 27, 1903	436.67
Newman, Paul	Cebu	Aug. 4, 1903	Dec. 29, 1903	486.67
Palin, Chas. L.	Paragua	June 1, 1903	Sept. 13, 1903	343.33
Pond, Henry A.	Cebu	June 1, 1903	Aug. 14, 1903	123.33
	do	June 1, 1903	Aug. 21, 1903	.....
Rafferty, James J.	do	Oct. 17, 1903	Feb. 29, 1904	1,075.00
Randall, W. A.	Hiloilo	May 24, 1903	Sept. 4, 1903	299.33
Reamy, B. F.	do	July 24, 1903	Aug. 28, 1903	60.00
Reinburg, L. G.	Manila	May 28, 1903	July 18, 1904	85.00
Reis, Julius S.	Romblon	Aug. 17, 1903	Oct. 23, 1903	111.67
Reynolds, Chas. A.	Albay	Sept. 18, 1903	Jan. 29, 1904	220.00
Robinson, H. B.	Hiloilo	Sept. 6, 1903	Oct. 20, 1903	75.00
Roddy, W. F.	Jolo	Aug. 1, 1903	Aug. 31, 1903	50.00
	Paragua	Nov. 15, 1903	Dec. 12, 1903	46.67
Shaw, Andrew	Jolo	Sept. 3, 1903	Nov. 30, 1903	140.67
Shearer, R. M.	Manila	June 20, 1903	N. v. 23, 1903	256.67
Smith, Warren H.	Ilocos	June 1, 1903	Sept. 30, 1903	400.00
Stark, I. Benjamin	Dayao	June 1, 1903	Oct. 23, 1903	248.33
Stewart, N. B.	Isabela	Aug. 10, 1903	Oct. 21, 1903	240.00
Stratton, Guy	Romblon	Aug. 31, 1903	Oct. 28, 1903	793.33
	Hiloilo	June 1, 1903	Aug. 12, 1903	120.00
Thornton, Wm. O.	Tayabas	Sept. 4, 1903	Dec. 29, 1903	193.33
Travis, Gideon B.	Lopanto-Bontoc	(a)	(a)	.....
Turner, Arthur H.	Zambales	June 29, 1903	Oct. 1, 1903	155.00
Upington, C. D.	Cebu	Aug. 24, 1903	Dec. 21, 1903	196.67
Vanderbrook, J. P.	do	July 20, 1903	Aug. 3, 1903	23.33
Watson, W. R.	Hiloilo	July 28, 1903	Feb. 29, 1904	355.00
Whittier, Arthur G.	Samar	Oct. 13, 1903	Oct. 27, 1903	25.00
Willits, Lt. Samuel	Dapitan	Sept. 2, 1903	Oct. 26, 1903	91.66
Wilson, F. L.	Ilocos	June 13, 1903	Oct. 29, 1903	224.33
York, F. G.	Cebu	July 29, 1903	Feb. 23, 1904	345.00
Yundt, E. R.	Manila	(a)	(a)	.....

(a) Not compensated on September 1.

EXHIBIT C.

CHINESE AND IMMIGRATION CIRCULAR NO. 141.

Extending time for registration of Chinese to October 29, 1903.

OFFICE OF THE COLLECTOR OF CUSTOMS,
FOR THE PHILIPPINE ISLANDS,
Manila, September 12, 1903.

To all collectors of customs, provincial treasurers, and others concerned:

PARAGRAPH I. Pursuant to Paragraph XXXIX of Chinese and Immigration Circular No. 85 of this office, the time for the registration of Chinese persons in these islands under the provisions of act No. 702 of the Philippine Commission is hereby extended to October 29, 1903.

PAR. II. Paragraphs III, XXXVII, and XXXVIII of said Chinese and Immigration Circular No. 85, are hereby modified so as to conform thereto.

PAR. III. Philippine customs officers and all registrars and deputy registrars of Chinese shall give due publicity to the terms of this circular.

W. MORGAN SHUSTER,
Collector of customs for the Philippine Islands.

EXHIBIT D.

[ACT No. 989.]

AN ACT amending section fifteen of act numbered seven hundred and two by extending the time for completing the registration of Chinese in the Philippine Islands.

By authority of the United States, be it enacted by the Philippine Commission. That whereas it was impossible to complete the registration of all Chinese persons in the Philippine Islands within the six months ending October twenty-ninth, nineteen hundred and three, in accordance with section fifteen of act numbered seven hundred and two, the time for such registration is, pursuant to authority granted by section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, hereby extended for a period of two months to date from October twenty-ninth, nineteen hundred and three.

SEC. 2. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 3. This act shall take effect on its passage.

Enacted, November 9, 1903.

EXHIBIT E.

[ACT No. 1035.]

AN ACT amending section fifteen of act numbered seven hundred and two, and section one of act numbered nine hundred and eighty-nine, by extending the time for completing the registration of Chinese in the Philippine Islands.

Whereas it was impossible to complete the registration of all Chinese persons in the Philippine Islands within the eight months ending December twenty-ninth, nineteen hundred and three, as provided in acts numbered seven hundred and two and nine hundred and eighty-nine: Therefore,

By authority of the United States, be it enacted by the Philippine Commission. That the time for such registration is, pursuant to authority granted by section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, hereby extended for a period of two months, to date from December twenty-ninth, nineteen hundred and three.

SEC. 2. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 3. This act shall take effect on its passage.

Enacted, January 6, 1904.

EXHIBIT B.

Registrars and deputy registrars.	District.	Time of service.		Amount paid.
		From—	To—	
Abrams, Chas. W.	Cottabato	July 9, 1903	Oct. 27, 1903	P 363.33
Allison, A. M.	Union	July 12, 1903	Dec. 4, 1903	238.33
Ascher, Alfred	Tayabas	Aug. 6, 1903	Oct. 29, 1903	140.00
Barclay, W. W.	Cagayan	July 23, 1903	Oct. 29, 1903	161.67
Barnes, W. B.	Jolo	Sept. 7, 1903	Nov. 25, 1903	263.33
Barton, Eugene	Misamis	Aug. 1, 1903	Dec. 31, 1903	250.00
Beatty, Chas. L.	Surigao	July 1, 1903	Oct. 31, 1903	400.00
Bennett, George	Zamboanga	July 6, 1903	Apr. 29, 1904	980.00
Blaker, Allan G.	Cebu	May 12, 1903	Sept. 30, 1903	463.33
Blanchard, R. D.	Batangas	July 23, 1903	Nov. 19, 1903	195.00
Braden, J. Q. A.	Camarines	June 12, 1903	Jan. 28, 1904	756.67
Brooks, Jr., J. S.	Tayabas	Aug. 1, 1903	Dec. 29, 1903	248.33
Carson, Chas. W.	Camarines	Sept. 18, 1903	Nov. 3, 1903	230.00
Casanave, Pedro A.	Samar	July 1, 1903	Oct. 2, 1903	153.33
Chapman, F. S.	Iloilo	Sept. 3, 1903	Dec. 29, 1903	135.00
Cheney, Edward F.	do	Aug. 7, 1903	Oct. 29, 1903	83.00
Coates, Thos. P.	Union	Apr. 13, 1903	June 12, 1903	100.00
Colton, George R.	Iloilo	June 1, 1903	Feb. 29, 1904	1,350.00
Comdohr, Julius A.	Sorsogon	(a)	(a)	
Corwine, R. M.	Jolo	June 10, 1903	Sept. 6, 1903	
		Nov. 28, 1903	Feb. 23, 1904	680.00
		Mar. 1, 1904	Apr. 29, 1904	
Douglass, H. R.	Sorsogon	Aug. 17, 1903	Dec. 5, 1903	363.33
Emery, Arthur S.	Zambales	July 13, 1903	Aug. 25, 1903	71.67
Faneuf, Aeph G.	Samar	July 3, 1903	Nov. 23, 1903	470.00
Fanning, Richard J.	Sorsogon	June 1, 1903	Dec. 31, 1903	350.00
Farwell, J. L.	Albay	June 17, 1903	Nov. 11, 1903	483.33
Fee, D. E.	Paragua	Nov. 8, 1903	Jan. 23, 1904	126.67
Gimenez, José	Cagayan	June 16, 1903	Oct. 29, 1903	453.33
		Dec. 19, 1903	Dec. 29, 1903	
Goodhart, Richard W.	Manila	July 2, 1903	Jan. 15, 1904	323.33
Green, J. B.	Nueva Ecija	June 26, 1903	Dec. 15, 1903	283.33
Greer, James W.	Cebu	June 1, 1903	Dec. 11, 1903	318.33
Hahn, D. H.	do	Sept. 10, 1903	Oct. 29, 1903	82.33
Hardeman, Thomas	Pangasinan	June 1, 1903	Feb. 29, 1904	900.00
Hart, George B.	Iloilo	Aug. 3, 1903	Sept. 14, 1903	70.00
Hill, Edward	Zamboanga	Aug. 11, 1903	Oct. 25, 1903	125.00
Hodgson, H. J.	Albay	May 18, 1903	Sept. 18, 1903	204.67
Hunter, John W.	Abra	July 1, 1903	Aug. 31, 1903	100.00
Jones, Walter E.	Tarlac	June 30, 1903	Oct. 29, 1903	200.00
Juniper, David A.	Iloilo	June 15, 1903	Nov. 13, 1903	149.00
Lamb, Chas. H.	Mindoro	June 25, 1903	Oct. 29, 1903	208.00
Love, H. K.	Manila	July 18, 1903	Dec. 29, 1903	270.00
Moir, P. M.	do	June 1, 1903	Oct. 8, 1903	426.67
McLain, C. C.	Tayabas	July 1, 1903	Sept. 4, 1903	213.33
McNeil, Jacob R.	Batangas	July 13, 1903	Nov. 23, 1903	436.67
Newman, Paul	Cebu	Aug. 4, 1903	Dec. 29, 1903	486.67
Palin, Chas. L.	Paragua	June 1, 1903	Sept. 13, 1903	343.33
Pond, Henry A.	Cebu	June 1, 1903	Aug. 14, 1903	123.33
	do	June 1, 1903	Aug. 21, 1903	1,075.00
Rafferty, James J.	do	Oct. 17, 1903	Feb. 29, 1904	
Randall, W. A.	Iloilo	May 24, 1903	Sept. 4, 1903	292.33
	do	July 23, 1903	Aug. 28, 1903	60.00
Reamy, B. F.	Manila	May 28, 1903	July 18, 1903	85.00
Reinburg, I. G.	Romblon	Aug. 17, 1903	Oct. 23, 1903	111.67
Reis, Julius S.	Albay	Sept. 18, 1903	Jan. 27, 1904	220.00
Reynolds, Chas. A.	Iloilo	Sept. 6, 1903	Oct. 26, 1903	75.00
Robinson, H. B.	Jolo	Aug. 1, 1903	Aug. 31, 1903	50.00
Roddy, W. F.	Paragua	Nov. 15, 1903	Dec. 12, 1903	46.67
	Jolo	Sept. 3, 1903	Nov. 30, 1903	140.67
Shaw, Andrew	Manila	June 20, 1903	Nov. 23, 1903	256.67
Shearer, R. M.	Ilocos	June 1, 1903	Sept. 30, 1903	400.00
Smith, Warren H.	Dayao	June 1, 1903	Oct. 23, 1903	248.33
Stark, Lt. Benjamin	Sabla	Aug. 10, 1903	Oct. 21, 1903	240.00
Stewart, N. B.	Romblon	Aug. 31, 1903	Oct. 28, 1903	193.33
Strattan, Guy	Iloilo	June 1, 1903	Aug. 12, 1903	120.00
Thornton, Wm. O.	Tayabas	Sept. 4, 1903	Dec. 29, 1903	193.33
Travis, Gideon B.	Lepanto-Bontoc	(a)	(a)	
Turner, Arthur H.	Zambales	June 29, 1903	Oct. 1, 1903	155.00
Upington, C. D.	Cebu	Aug. 24, 1903	Dec. 21, 1903	196.67
Vanderbroek, J. P.	do	July 20, 1903	Aug. 3, 1903	23.33
Watson, W. R.	Iloilo	July 28, 1903	Feb. 29, 1904	355.00
Whittier, Arthur G.	Samar	Oct. 13, 1903	Oct. 27, 1903	25.00
Willits, Lt. Samuel	Dapitan	Sept. 2, 1903	Oct. 26, 1903	91.66
Wilson, F. G.	Ilocos	June 13, 1903	Oct. 29, 1903	228.33
York, F. G.	Cebu	July 29, 1903	Feb. 29, 1904	345.00
Yndt, E. R.	Manila	(a)	(a)	

(a) Not compensated on September 1.

EXHIBIT C.

CHINESE AND IMMIGRATION CIRCULAR NO. 141.

Extending time for registration of Chinese to October 29, 1903.

OFFICE OF THE COLLECTOR OF CUSTOMS,
FOR THE PHILIPPINE ISLANDS,
Manila, September 12, 1903.

To all collectors of customs, provincial treasurers, and others concerned:

PARAGRAPH I. Pursuant to Paragraph XXXIX of Chinese and Immigration Circular No. 85 of this office, the time for the registration of Chinese persons in these islands under the provisions of act No. 702 of the Philippine Commission is hereby extended to October 29, 1903.

PAR. II. Paragraphs III, XXXVII, and XXXVIII of said Chinese and Immigration Circular No. 85, are hereby modified so as to conform thereto.

PAR. III. Philippine customs officers and all registrars and deputy registrars of Chinese shall give due publicity to the terms of this circular.

W. MORGAN SHUSTER,
Collector of customs for the Philippine Islands.

EXHIBIT D.

[ACT No. 989.]

AN ACT amending section fifteen of act numbered seven hundred and two by extending the time for completing the registration of Chinese in the Philippine Islands.

By authority of the United States, be it enacted by the Philippine Commission. That whereas it was impossible to complete the registration of all Chinese persons in the Philippine Islands within the six months ending October twenty-ninth, nineteen hundred and three, in accordance with section fifteen of act numbered seven hundred and two, the time for such registration is, pursuant to authority granted by section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, hereby extended for a period of two months to date from October twenty-ninth, nineteen hundred and three.

SEC. 2. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 3. This act shall take effect on its passage.

Enacted, November 9, 1903.

EXHIBIT E.

[ACT No. 1035.]

AN ACT amending section fifteen of act numbered seven hundred and two, and section one of act numbered nine hundred and eighty-nine, by extending the time for completing the registration of Chinese in the Philippine Islands.

Whereas it was impossible to complete the registration of all Chinese persons in the Philippine Islands within the eight months ending December twenty-ninth, nineteen hundred and three, as provided in acts numbered seven hundred and two and nine hundred and eighty-nine: Therefore,

By authority of the United States, be it enacted by the Philippine Commission. That the time for such registration is, pursuant to authority granted by section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, hereby extended for a period of two months, to date from December twenty-ninth, nineteen hundred and three.

SEC. 2. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 3. This act shall take effect on its passage.

Enacted, January 6, 1904.

EXHIBIT F.

[ACT NO. 1084.]

AN ACT amending section fifteen of act numbered seven hundred and two, section one of act numbered nine hundred and eighty-nine, and section one of act numbered one thousand and thirty-five by extending the time for completing the registration of Chinese in the Philippine Islands.

Whereas it was impossible to complete the registration of all Chinese persons in the Philippine Islands within the ten months ending February twenty-ninth, nineteen hundred and four, as provided in acts numbered seven hundred and two, nine hundred and eighty-nine, and one thousand and thirty-five: Therefore,

By authority of the United States, be it enacted by the Philippine Commission, That the time for such registration is, pursuant to authority granted by section four of the act of Congress approved April twenty-ninth, nineteen hundred and two, hereby extended for a period of two months, to date from February twenty-ninth, nineteen hundred and four.

SEC. 2. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 3. This act shall take effect on its passage.

Enacted, March 10, 1904.

EXHIBIT G.

CHINESE AND IMMIGRATION CIRCULAR NO. 157.

Regulations governing the issuance of duplicate-original certificates of residence to take the place of certificates lost or destroyed.

OFFICE OF THE COLLECTOR OF CUSTOMS

FOR THE PHILIPPINE ISLANDS,

Manila, March 23, 1904.

To all collectors of customs, provincial treasurers, and others concerned:

The following is hereby published for the information and guidance of all concerned:

"SIR: Your letter of the 23d instant in reference to the issuance of duplicate original certificates of residence has been received. In reply thereto I have to inform you that section 4 of act No. 702 of the Philippine Commission provides for the issuance of duplicate certificates of residence to take the place of original certificates lost or destroyed, under such regulations as may be prescribed by the insular collector of customs, and upon the payment of double the fee exacted for the original certificate.

"Regulations covering the issuance of such certificates are prescribed in Paragraph XVII of Chinese and Immigration Circular No. 85.

"You are requested to forward the necessary affidavits and two photographs, together with the fee of \$1 United States currency, to this office, retaining a copy of the affidavits and one photograph to attach to the duplicate certificate now on file in your office. Upon receipt of same, the affidavits being deemed sufficient, a duplicate of the original certificate will be issued by this office. Affidavits should be obtained in duplicate in order to complete the record in the offices of both the registrar and the insular collector of customs. Respectfully, (signed) H. B. McCoy, Acting Collector of Customs for the Philippine Islands."

H. B. McCoy,

Acting Collector of Customs for the Philippine Islands.

EXHIBIT H.

CHINESE AND IMMIGRATION CIRCULAR NO. 161.

Disposition of certificates of residence remaining on hand undelivered.

OFFICE OF THE COLLECTOR OF CUSTOMS

FOR THE PHILIPPINE ISLANDS,

Manila, July 30, 1904.

To all collectors of customs, provincial treasurers, and others concerned:

PARAGRAPH I. Chinese certificates of residence remaining on hand undelivered in the offices of registrars and deputy registrars of Chinese shall be held in said offices for a period

of one year from the close of the registration period (April 29, 1904), after which time all undelivered certificates shall be canceled, the original copy to be forwarded to this office, and the duplicate copy placed on file with the permanent records of the office where issued.

PAR. II. Chinese merchants returning to the islands after this period who have had their certificates of residence canceled in accordance with Paragraph I of this circular, may be issued a landing certificate of residence at the port in which they enter in lieu of the certificate canceled upon payment of the regular fee therefor.

PAR. III. Philippine customs officers and all registrars and deputy registrars of Chinese shall give due publicity to the terms of this circular.

W. MORGAN SHUSTER,
Collector of Customs for the Philippine Islands.

APPENDIX G.

REPORT OF THE DEPUTY SURVEYOR OF CUSTOMS, IN CHARGE OF ARRASTRE.

OFFICE OF THE DEPUTY SURVEYOR OF CUSTOMS,
IN CHARGE OF ARRASTRE PLANT,
Manila, September 15, 1904.

SIR: I have to submit, pursuant to your directions, the report of the operations of the arrastre plant of the Manila custom-house for the period from October 16, 1903, to September 1, 1904.

"Arrastre" is a Spanish word meaning "transportation of goods from one place to another."

The arrastre system for unloading imported merchandise at the custom-house wharf and conveying it to the custom-house warehouses was purchased by the government and placed under governmental control October 16, 1903, as a remedy for the bad conditions which then and formerly existed at Manila in regard to the delays, expense, and difficulty in discharging imported merchandise, whereby steamships were subjected to great demurrage and importers to exactions and annoyances.

The results accomplished have been, in brief:

- (1) Ships have saved demurrage.
- (2) A better and more expeditious service has been given at the custom-house wharf and warehouses.
- (3) Importers have been saved much expense.
- (4) Breakage of goods due to rough handling has been almost if not quite prevented—a further saving.
- (5) The service has been self-sustaining, and has in addition refunded the entire cost of the plant to the government.
- (6) Importers and ship agents are pleased and satisfied.
- (7) The former bad name of the port of Manila has been wiped out.

REASONS FOR PURCHASE OF ARRASTRE.

The operation by the government of the arrastre system at the custom-house had been considered and recommended almost since the American occupation of the Philippines. One of the leading factors which gave a bad name to the port of Manila, causing steamships and commerce to avoid it, was the unsatisfactory and expensive conditions and delays surrounding the discharge of imported merchandise, created by inadequate landing facilities and the practice of sorting all cargoes on board the steamships regardless of the delay occasioned, and by the delays in landing and warehousing.

In the first report of the secretary of finance and justice, made to the Philippine Commission November 1, 1902, the bad condition then and previously existing was discussed as follows:

"There has been very great complaint in regard to the expense of bringing imported merchandise from steamers in the harbor to the custom-house and wharves and landing them and placing them in proper warehouses, and of the delay in such operations owing to the insufficient character of the lightering and landing facilities and the method of carrying on that business, and from sorting the cargo on board the incoming steamers in such way that each owner might receive his own merchandise in his own casco or lighter or cascos and lighters engaged by him for that purpose. Steamers have been subjected to great demurrage by the delay incident to that process and to the insufficient landing facilities at the custom-house wharves."

In the second annual report of the secretary of finance and justice for the period ending September 1, 1903, it was stated:

"It was considered highly undesirable that the steam cranes and derricks for unloading goods upon the customs wharves and the tramways should belong to private individuals and be operated by them. It was particularly objectionable at Manila, in view of the fact that the owners of the arrastre plant were likewise the largest owners of cascoes, lorchas, and lighters for bringing the goods to the customs wharves from the steamers, and the charge was often made, justly or unjustly, that importers who did not employ the owners of the arrastre plant to do their lightering were discriminated against so that their goods were delayed in landing and their demurrage expenses were made much larger. Under the provisions of act No. 897 the government undertakes to perform the arrastre operations at actual cost, so that importers are furnished the best of facilities and all extortionate charges or discrimination are rendered impossible."

This arrastre system, by which a private contractor possessing a monopoly handled the imported merchandise within the custom-house, was found in existence at the American occupation, and was allowed by tacit consent, but without official sanction, to continue as a temporary solution of a difficult problem. The several collectors of customs called attention to the situation and the bad conditions existing, suggesting various remedies.

PREVIOUS HISTORY.

Previous to 1886 each individual importer of Manila received his merchandise at the ship's side in the bay in his own casco or lighter, and got it ashore and through the custom-house with his own labor as best he could. As importations increased, this system, or rather lack of system, was found more and more impracticable and expensive. In November, 1886, the importers got together on the matter and with consent of the Spanish Government entered into a contract with Ramon Montanez to discharge all vessels from foreign ports, to lighter the merchandise ashore to the custom-house, and to land and warehouse the goods. When delivery was desired the importer would bring his own or hired laborers into the warehouses and take out his goods—an especially obnoxious feature from a custom-house standpoint and considering that many other importers had merchandise in the same warehouse. Montanez placed three steam cranes on the wharf and installed the tramway with its steam locomotives and cars for conveying the merchandise from the wharf on the river front to the custom warehouses. Montanez later sold the plant and contract to Santiago Dominguez & Co., who operated it until after the American occupation, when it was sold to D. M. Carman & Co., December 5, 1898. This firm soon after entered into two new contracts with the importers, surrendering the old, (1) to lighter the foreign merchandise from the ships to the custom-house wharf, and (2) to do the arrastre work proper of conveying the merchandise from the wharf to and storing it in the warehouses. They improved the arrastre plant, added another steam crane in 1901, built additional tracks to the new warehouses constructed in 1901, and added new cars.

PURCHASE BY CUSTOM-HOUSE.

In 1902 the question of governmental operation of the arrastre plant was taken up with more earnestness by the insular collector of customs, and some preliminary negotiations were had with Carman & Co. looking to the purchase of the system. The matter was laid before the Philippine Commission, which on January 28, 1903, passed a resolution authorizing the secretary of finance and justice and the collector of customs to negotiate for the purchase of the plant and to operate it, and on March 7, 1903, a further resolution authorizing the collector of customs to so purchase it.

After an appraisal of the property, consisting of steam cranes, locomotives, cars, railroad tracks, and other machinery and appliances, the purchase was consummated by the Philippine Commission in Act No. 897, passed September 23, 1903, which appropriated P 29,000 for the purpose, and also P 10,000 additional for placing the system in operation. The receipts for the service were made a permanent appropriation to pay its expenses, the intention being to make the charge merely sufficient to cover the cost of operation. The collector of customs was authorized by the same act to operate, maintain, and administer the arrastre system, and to fix and collect charges for the service. In accordance therewith regulations for the organization, government, and operation of the arrastre service were issued. In the main the personnel employed by the former owners was retained, but reorganized and placed under custom-house administration. An office and clerical force were established and provisions made for collecting a charge for all the merchandise handled in the custom-house.

On October 16, 1903, the custom-house assumed control of the arrastre. In the absence of data and experience upon which to fix the rate for the charge, other than that furnished by the former owners, the same rate as charged by them was continued as a tentative

measure, ₱1.50 per ton. The charge of 50 centavos per ton on all merchandise permitted to take delivery in bulk without discharging on the custom-house wharf, known as "pasé delivery," was immediately discontinued, saving to the importers about ₱37,000 a year.

In a month's time it was found that the handling of the merchandise stored upon and delivered from the wharf, instead of the warehouses, could be done at less cost, and the rate for wharf delivery was lowered to ₱1 per ton, effecting a saving of about ₱8,300 a year to the importers. They have been encouraged to take wharf deliveries as not only a saving of expense but a saving of time, and every facility possible has been given them which would effect an economy and do away with bad conditions which had hampered the incoming commerce of Manila. The great majority of importers have appreciated, and cooperated with, these betterments of service, and have been led to institute better business methods of their own, effecting further savings which can not well be estimated, but which do exist.

ADDITIONAL SERVICE GIVEN.

Although the arrastre rate was retained at ₱1.50 per ton, much additional service was at once given for the one charge. Previous to the assumption of the arrastre by the custom-house the service consisted of the conveyance of the merchandise from the custom-house wharf to the warehouses and the storing therein. It ended at that point. The merchandise had been stored more or less indiscriminately, neither a ship's cargo nor individual consignments being kept together, but scattered through two, three, or more warehouses. When delivery was desired, the consignee would go into a warehouse with his cooly laborers, and after vexatious search and much work of piling and repiling boxes would get his goods together, carry them out of the warehouse, and put them on his carts. The consignee was also required to carry the samples selected for examination and appraisal from the warehouses to the appraiser's stores, and also to furnish the laborers for the opening of cases and the unpacking and repacking of the contents. All this work was taken over by the new arrastre division of the custom-house, the service to be included in the charge of ₱1.50 per ton. The storing of merchandise was at once systematized by each ship's cargo being kept together in a warehouse and by each individual consignment being piled together. This did away with one of the bad conditions that existed at the port of Manila, of sorting cargoes on board incoming steamers, delaying their departure and causing great demurrage. When delivery is desired, the arrastre laborers now take the merchandise out of the warehouse, delivering it to the consignee's carts. Arrastre laborers also carry the sample cases to the appraiser's stores and perform all labor required therein, consisting of the handling of the cases for examination and appraisal, the unpacking and repacking, and delivery outside the stores to the consignee. Not only has this reform kept all coolies (except customs employees) and other unauthorized persons out of the warehouses and appraiser's stores, but it has effected another considerable saving to importers estimated at about ₱41,000 a year.

NO DELAY AT WHARF.

By improvements to the plant, adding new facilities and changing methods, a quicker handling of the merchandise has been secured, by reason of which lighters are now discharged one-third or more quicker at the wharf. This enables the lighters to return to the bay for further cargo, and a consequent faster discharge of the incoming steamships, whereby they are enabled to save demurrage. It has done away with the former complaint that there were not enough closed lighters to do the business of the port. It has aided materially in correcting the evils which surrounded shipping and commerce coming to Manila.

Loaded lighters are discharged at the wharf in the order in which they arrive. Thus there is absolutely no discrimination in discharging. Perishable articles, like vegetables, etc., are given a preference, but otherwise without interfering with the order of discharge.

IMPROVEMENTS IN WAREHOUSING.

When the arrastre plant was acquired the merchandise was conveyed into the warehouses from the wharf by running the loaded tramway flat cars into each warehouse on a single track. As the empty cars had to be taken out through the same doorway, which also served as the egress of the coolies taking out merchandise for delivery, much difficulty and confusion was experienced, frequent blockades being caused, which delayed the work of the whole service, being felt on the wharf as well. This bad condition has been remedied by taking up the tracks into the warehouses, replacing them with broad runways, constructing receiving platforms outside next to the main track on the one side and delivery platforms at other doors on the other side and handling the cases of merchandise by hand trucks. The blockades have been prevented and much confusion done away with. Fewer laborers are required—a considerable saving of expense. The better facilities have

lessened the liability of breakage from rough handling. It is a big improvement over old methods. By the changes mentioned the old warehouses have been made as much as possible like the new warehouse "P" under the new wing of the customs building. With its unimpeded wooden floor, plenty of doors, wooden platform outside, of a height of the carts, the handling of the merchandise has been vastly facilitated and the time reduced one-half or more, especially by use of the warehouse trucks introduced by the arrastre division. Quickness of delivery has been the object sought. No complaints are now made of inability to obtain merchandise out of the custom-house as soon as the consignee wants it. On the contrary, complaints have been made that delivery is ready before the consignee is.

SAMPLE PACKAGES.

The sample packages for appraiser's examination were until lately not taken to the appraiser's stores until requested by the consignee, who brought the permit for the samples with him from the appraiser's office. This has been changed by the permits being sent without intervention of the consignee and by the samples being transferred to the stores by the arrastre force without delay. This work has been so systematized that a saving has been effected not only in arrastre labor, but the good effects are felt in the work of appraisal. It has also resulted in a saving to the importers, who need fewer representatives—a saving not readily ascertainable, but a fact.

UNINTENTIONAL PROFITS.

Notwithstanding these enlargements of the service performed by the arrastre system, the expense was kept down by more systematic and better methods, so that in time it was found that the charge of ₱1.50 per ton yielded a considerable profit, even after many improvements had been made to the plant. It was not the intention of the government and the insular collector of customs to conduct the arrastre service for the purpose of making a profit and thus create a revenue, but to do the work for cost and thus make the service as inexpensive as possible to the importer. But a surplus being unintentionally created, the general fund of the Philippine government was reimbursed on June 27 last by ₱22,368.39 being paid back out of the arrastre profits as a partial refund of the ₱36,368.39 expended out of the appropriation by the Commission for the purchase and operation of the plant. Another refund of ₱5,000 was made August 3 and the remainder, ₱9,000, was paid back September 8.

Thus the entire cost of the arrastre plant to the government has been paid back (without expectation) out of its earnings, notwithstanding the greatly increased service and the reduction of the rate, in less than one year from the date of the appropriation for its purchase and less than eleven months from the actual assumption of the service by the custom-house.

The charge of ₱1.50 per ton having yielded net profits larger than expected, on July 1, 1904, the arrastre rate was reduced by 16 per cent—from ₱1.50 per ton to ₱1.25 for warehouse deliveries, and from ₱1 to ₱0.90 per ton for wharf deliveries. This reduction will save the importers of Manila over ₱22,300 a year.

EXPENSE SAVED TO IMPORTERS.

Altogether, therefore, the taking over and operation of the arrastre service by the custom-house has saved to the importers of Manila over ₱108,600 a year of the expense to which they were formerly subjected, as follows:

Pasé deliveries.....	₱ 37, 000
Wharf deliveries.....	8, 300
Warehouse deliveries and handling of sample packages.....	41, 000
Reduction of rate to ₱1.25 and 90 centavos.....	22, 300
Total.....	108, 600

The importers have also saved some other expenditures, especially demurrage on lighters, which can not well be computed, and it is believed have been given a greatly improved and more expeditious service and freer from liability to breakage than they ever enjoyed before.

Moreover the saving of demurrage to steamships coming to Manila has been very considerable. It is not only a saving to the shipping of Manila in actual money, but it is a reform that wipes out an evil which contributed much in former years to giving a bad name to this port and to hampering the commerce of the Philippine Islands.

IMPROVEMENTS TO PLANT.

The plant of the arrastre system has been much improved. The locomotive in use on the tramway, a French engine of old style, being unable to haul the traffic, a new American

locomotive of latest design and double the capacity has been purchased. It has the distinction of being the first American locomotive to be introduced into the Philippine Islands. The light rails of the main line of the tramway have been replaced with heavy steel rails. New tracks and switches have been laid, increasing the trackage 50 per cent and vastly improving the facilities. A firm roadbed paved with cobblestone has been constructed. Board runways with receiving and delivery platforms have been built in five warehouses and a sixth is now being likewise improved. A track has been constructed through the appraiser's stores for the conveyance of samples direct from the warehouses. The warehouses have all been supplied with hand trucks, which the Filipino laborers handle quite well, contrary to the expectation of many. The steam cranes and other machinery have all been repaired and put in good condition. About half the customs wharf has been repaved by the arrastre division, and quite a number of minor improvements have been made to facilitate the work. Altogether P 13,784.42 has been expended on additions and improvements to the plant in materials, besides considerable labor.

FIRE AND POLICE PROTECTION.

The arrastre division maintains and has charge of a system of fire protection of the custom-house grounds, consisting of a reel and fire hose and barrels and buckets. It also provides four policemen and watchmen in the warehouses by day and one on the wharf at night, in addition to the regular custom-house watchmen. The division also cleans the customs wharf and grounds once or twice each day.

OFFICE AND PERSONNEL.

The entire finances of the arrastre are conducted by its own office, the collections for the charges being made by its receiving teller and deposited with the insular treasurer in separate account. The expenditures are made by its disbursing officer under the usual regulations. A complete system of accounts is kept in its office.

The personnel has given excellent service. In the office the chief clerk and two clerks are Americans and the receiving teller, bookkeeper, and three clerks are Filipinos. In the wharf and warehouse force the wharfinger (who has general charge) is an American. The first assistant wharfinger, the warehouseman, and first assistant warehouseman are Spaniards (now Philippine citizens); the second assistant warehouseman a Chinese, and three other assistants Filipinos—all these being old employes of the arrastre retained by the custom-house. The engineers of locomotives and steam cranes, the superintendent of the tramway railroad, the conductors, firemen, machinists, and watchmen are Filipinos, as are also the 12 wharf and warehousemen foremen and the 12 openers and packers. Both Chinese and Filipino carpenters are employed. The laborers are all Filipinos—mostly Pampangas, Visayans, and Ilocanos, only a very few Tagalogs. About one-fourth are steady workers. Another fourth, or a little more, work about three to four days a week. The others come and go, working one to two or three day a week. There has never been any difficulty in obtaining all laborers needed. They do good work if plentifully superintended, but not otherwise. They are paid 90 centavos Philippine currency per day of eight hours, and at the same rate for overtime, and are paid weekly. The average number employed is 125 to 150.

The skilled and semiskilled employees are paid monthly and number 65 to 70. The native assistant superintendents are paid salaries of from P 42 to P 50, the locomotive engineers from P 42 to P 50, the crane engineers P 34, firemen P 20, machinists P 25 to P 50, carpenters P 40 to P 50, wharf and warehouse foremen P 30, and openers and packers P 30.

The whole force of skilled and semiskilled employees and laborers have done good work, being well and liberally superintended.

FINANCIAL STATEMENT.

The following shows the amount of merchandise handled by the arrastre plant from October 16, 1903, to June 30, 1904:

	Tons.
Merchandise delivered from wharf.....	11,511.66
Merchandise delivered from warehouses.....	57,248.44
Total tonnage of merchandise landed at custom-house.....	68,760.10
Merchandise given pass delivery.....	51,579.82

Statement of the finances of the arrastre from October 16, 1903, to August 31, 1904.

DEBITS.

Gross cash receipts.....	₱ 139,489.34
Refunded for pasé and wharf deliveries.....	23,925.60
Arrastre collections, net.....	115,563.74
Appropriation, Act No. 897.....	7,368.39
Exchange of currency and miscellaneous sources.....	91.14
Total debits.....	123,023.27

CREDITS.

Reimbursement to general fund, government of Philippine Islands.....	₱ 27,368.39
Expense:	
Labor.....	₱ 24,824.93
Salaries.....	35,562.75
Supplies.....	7,392.78
Improvements to plant.....	13,784.42
Overtime, customs employees.....	1,743.36
Total expenditures.....	83,308.24
Treasurer's balance, August 31, 1904.....	₱ 8,013.36
Disbursing officer's balance, August 31, 1904.....	3,743.65
Cash balance, August 31, 1904.....	589.63
Total balances.....	12,346.64
Total credits.....	123,023.27

The ₱ 29,000 appropriated and expended for the purchase of the plant is not included in the above statement. As stated above, since September 1, 1904, ₱ 9,000 additional has been reimbursed to the general fund of the government, making the total refunded ₱ 36,368.39, all that was expended out of the appropriation for the arrastre.

The greatest satisfaction of the operation of the arrastre plant by the custom-house is not so much in the favorable financial exhibit as it is in the belief that great relief has been given to the importers and that a bad condition hampering the port of Manila and choking its commerce has been destroyed.

Respectfully,

CLIFFORD D. HAM,
Deputy Surveyor of Customs, in Charge of Arrastre.

The COLLECTOR OF CUSTOMS FOR THE PHILIPPINE ISLANDS.

(Through office of insular surveyor.)

EXHIBIT 8.

ANNUAL REPORT OF THE ACTING COLLECTOR OF INTERNAL REVENUE.

OFFICE OF ACTING COLLECTOR OF INTERNAL REVENUE,
Manila, P. I., October 1, 1904.

The honorable the SECRETARY OF FINANCE AND JUSTICE,
Manila, P. I.

SIR: As the acting collector of internal revenue to date of August 1, 1904, I have the honor to submit herewith my report covering the period from September 1, 1903, to which date the last annual report was brought, to August 1, 1904, when "the internal-revenue law of 1904" went into effect and a complete reorganization of the bureau inaugurated.

As is well known to you, sir, the jurisdiction of the collector of internal revenue was limited to the unorganized provinces. Little by little the field became narrowed down to a part of the island of Mindanao and to the Jolo Archipelago, and not long after the closing of the last annual report all this territory was swept from under our control by the inauguration of the Moro government.

Exhibit A, hereto attached and made a part of this report, shows the internal-revenue collections from September 1, 1903, to date of transfer to the new government above referred to.

The undersigned, as acting collector of internal revenue, continued until August 1, 1904, to collect the fees for the forestry bureau on forestry products coming to and assessed in the city of Manila. Said collections are covered by Exhibit B, hereto attached.

The distribution of revenue stamps to the provincial treasurers, through the insular treasurer, was also continued up to August 1. Exhibit C, attached hereto, shows such distribution and also shows the account balanced by transfer of stock to the city assessor and collector. Such stamps are now handled and distributed by the said city assessor and collector of the city of Manila, in accordance with the provisions of Act No. 527.

Exhibit D, attached hereto, is a complete return of the accountable and expendable property on hand belonging to the internal-revenue bureau, the disposition of which the undersigned awaits your instructions.

Respectfully submitted.

A. W. HASTINGS,
Acting Collector Internal Revenue, Philippine Islands.

Statement of the finances of the arrastre from October 16, 1903, to August 31, 1904.

DEBITS.

Gross cash receipts.....	P 130
Refunded for pasé and wharf deliveries.....	2
Arrastre collections, net.....	1
Appropriation, Act No. 897.....	
Exchange of currency and miscellaneous sources.....	
Total debits.....	

CREDITS.

Reimbursement to general fund, government of Philippine Islands.....	
Expense:	
Labor.....	P 24,824
Salaries.....	35,562
Supplies.....	7,39
Improvements to plant.....	13,7
Overtime, customs employees.....	1,7
Total expenditures.....	
Treasurer's balance, August 31, 1904.....	P
Disbursing officer's balance, August 31, 1904.....	
Cash balance, August 31, 1904.....	
Total balances.....	

Total credits.....

The P 29,000 appropriated and expended for the purchase in the above statement. As stated above, since September has been reimbursed to the general fund of the government P 36,368.39, all that was expended out of the appropriation.

The greatest satisfaction of the operation of the arrastre is not so much in the favorable financial exhibit as it is given to the importers and that a bad condition has been destroyed.

Respectfully,

Deputy Secretary

The COLLECTOR OF CUSTOMS FOR THE PHILIPPINES

(T)

EXHIBIT D.—*Statement of property for which A. W. Hastings, as acting collector of internal revenue for the Philippine Islands, is accountable.*

NONEXPENDABLE.

2 copies acts of the Philippine Commission
(quarterly pamphlet).
3 copies Annotated Laws, Philippine Commission.
1 copy Amendments and Index.
4 baskets, desk.
4 clips, board.
18 clips, spring.
5 erasers, steel.
7 inkstands, double.
8 inkstands, single.
1 copy Opinions of Attorney-General.
27 electrotype plates for printing internal-revenue stamps.
2 pads, desk.
2 penracks.
4 rulers.
2 seals, bureau of internal revenue.

EXPENDABLE.

4 books, stenographer's note.
8 books, patente.
5 books, index.
20 erasers, ink and pencil.
4 industrial tax registers.
3 bottles ink, red.
8 bottles ink, black.
5 bottles ink, copying.
2 bottles ink, stamp pad.
8 bottles oil, typewriter.
300 sheets paper, carbon.
6 bottles paste, Library.
12 penholders.
16 cones pins, desk.
3 ribbons, typewriter.
22 stamps, rubber.
8 stamp pads.
300 sheets strawboard for mailing stamps.

Attest:

MANILA, P I., August 1, 1904.

A. W. HASTINGS,
Acting Collector Internal Revenue.

EXHIBIT A.—*Statement of collections by subcollectors of internal revenue during the months of September and October, 1903, as shown by reports on file in the office of the acting collector of internal revenue for the Philippine Islands.*

Internal revenue.	Cottabato.		Davao.		Jolo.		Grand total.	
	Philippine currency.	Local currency.	Philippine currency.	Local currency.	Philippine currency.	Local currency.	Philippine currency.	Local currency.
Industrial tax.....		\$17. 75	P211. 20	\$370. 17			P211. 20	\$387. 92
Stamp sales.....		11. 67		10. 19				21. 86
Certificates of registration.....		7. 60		5. 60		\$5. 80		19. 00
Forestry.....		143. 74	1, 186. 30	259. 91		1. 63	1, 186. 30	405. 28
Total.....		180. 76	1, 397. 50	645. 87		7. 43	1, 397. 50	834. 06

EXHIBIT B.—*Statement of taxes collected on forestry products cut from the several provinces, for the period from September 1, 1903, to July 31, 1904, by A. W. Hastings, as acting collector of internal revenue for the Philippine Islands.*

Province in which cut.	Philippine currency.	Local currency.	Province in which cut.	Philippine currency.	Local currency.
Albay.....	P1. 55	\$328. 46	Matti.....		\$640. 37
Bataan.....	3, 930. 30	2, 893. 89	Mindanao.....	P2, 108. 98	1. 25
Batangas.....		63. 62	Marinduque.....	114. 25	8. 50
Basilan.....	654. 04		Moro.....	2, 027. 17	
Bulacan.....	328. 04	177. 70	Nueva Ecija.....	63. 32	110. 20
Cavite.....	39. 53	25. 14	Pampanga.....	282. 08	1, 026. 61
Camarines.....	19, 646. 32	1, 214. 82	Pangasinan.....	6. 07	4. 95
Cagayan.....	3, 318. 77	811. 26	Paragua.....	2, 822. 19	4, 038. 29
Cottabato.....	3. 20	95. 88	Rizal.....	260. 39	404. 44
Capiz.....	240. 54	305. 91	Romblon.....	358. 83	400. 18
Davao.....	230. 82	1, 483. 60	Sorsogon.....	44. 92	4. 51
Ilocos Sur.....	16. 66		Samar.....	678. 00	136. 03
Ilocos Norte.....	5. 05		Surigao.....	2. 70	
Isabela.....	1, 455. 94		Tayabas.....	42, 780. 42	20, 325. 22
Iloilo.....	2. 21	5. 41	Tarlac.....	304. 05	251. 07
Laguna.....	12. 21	12. 03	Zambales.....	14, 936. 18	3, 355. 04
Leyte.....	326. 04	6. 71	Zamboanga.....	2, 554. 91	3, 623. 41
Manila.....	11. 70	6. 03			
Masbate.....	16, 124. 64	5, 487. 37	Total.....	130, 199. 39	48, 651. 37
Mindoro.....	14, 527. 37	1, 403. 47			

Attest:

A. W. HASTINGS,
Acting Collector of Internal Revenue.

EXHIBIT C.—*Statement of stamp account of A. W. Hastings, acting collector of internal revenue, for the period from September 1, 1903, to July 30, 1904.*

DR.	
Stamps on hand September 1, 1903.....	\$759, 554. 15
Received from printer.....	\$143, 200. 00
Received from insular treasurer.....	135, 669. 25
Received from city assessor and collector.....	1, 842. 00
Received from treasurer, Zamboanga.....	11. 70
Surplus taken up by order of auditor.....	1, 236. 10
	281, 959. 05
Total stamps received.....	1, 041, 513. 20
CR.	
Issued to city assessor and collector.....	\$151, 670. 65
Issued to insular treasurer.....	75, 727. 00
Transferred to city assessor and collector.....	814, 115. 55
Total disposed of.....	1, 041, 513. 20

Attest:

A. W. HASTINGS,
Acting Collector Internal Revenue, Philippine Islands.

EXHIBIT D.—*Statement of property for which A. W. Hastings, as acting collector of internal revenue for the Philippine Islands, is accountable.*

NONEXPENDABLE.

2 copies acts of the Philippine Commission
(quarterly pamphlet).
3 copies Annotated Laws, Philippine Commission.
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4 baskets, desk.
4 clips, board.
18 clips, spring.
5 erasers, steel.
7 inkstands, double.
8 inkstands, single.
1 copy Opinions of Attorney-General.
27 electrotpe plates for printing internal-revenue stamps.
2 pads, desk.
2 penracks.
4 rulers.
2 seals, bureau of internal revenue.

EXPENDABLE.

4 books, stenographer's note.
8 books, patente.
5 books, index.
20 erasers, ink and pencil.
4 industrial tax registers.
3 bottles ink, red.
8 bottles ink, black.
5 bottles ink, copying.
2 bottles ink, stamp pad.
8 bottles oil, typewriter.
300 sheets paper, carbon.
6 bottles paste, Library.
12 penholders.
16 cones pins, desk.
3 ribbons, typewriter.
22 stamps, rubber.
8 stamp pads.
300 sheets strawboard for mailing stamps.

Attest:

MANILA, P. I., August 1, 1904.

A. W. HASTINGS,
Acting Collector Internal Revenue.

EXHIBIT A.—*Statement of collections by subcollectors of internal revenue during the months of September and October, 1903, as shown by reports on file in the office of the acting collector of internal revenue for the Philippine Islands.*

Internal revenue.	Cottabato.		Davao.		Jolo.		Grand total.	
	Philippine currency.	Local currency.	Philippine currency.	Local currency.	Philippine currency.	Local currency.	Philippine currency.	Local currency.
Industrial tax.....		\$17.75	P211.20	\$370.17			P211.20	\$387.92
Stamp sales.....		11.67		10.19				21.86
Certificates of registration.....		7.60		5.60		\$5.80		19.00
Forestry.....		143.74	1,186.30	239.91		1.63	1,186.30	405.28
Total.....		180.76	1,397.50	645.87		7.43	1,397.50	834.06

EXHIBIT B.—*Statement of taxes collected on forestry products cut from the several provinces, for the period from September 1, 1903, to July 31, 1904, by A. W. Hastings, as acting collector of internal revenue for the Philippine Islands.*

Province in which cut.	Philippine currency.	Local currency.	Province in which cut.	Philippine currency.	Local currency.
Albay.....	P1.55	\$328.46	Mattl.....		\$640.37
Bataan.....	3,930.30	2,893.89	Mindanao.....	P2,108.98	1.25
Batangas.....		63.62	Marinduque.....	114.25	8.50
Basilan.....	654.04		Moro.....	2,027.17	
Bulacan.....	328.04	177.70	Nueva Ecija.....	63.32	110.20
Cavite.....	39.53	25.14	Pampanga.....	282.08	1,026.61
Camarines.....	19,646.32	1,214.82	Pangasinan.....	6.07	4.95
Cagayan.....	3,318.77	811.26	Paragua.....	2,822.19	4,038.29
Cottabato.....	3.20	95.88	Rizal.....	260.39	404.44
Capiz.....	240.54	305.91	Romblon.....	358.83	400.18
Davao.....	230.82	1,483.60	Sorsogon.....	44.92	4.51
Ilocos Sur.....	16.66		Samar.....	678.00	136.03
Ilocos Norte.....	5.05		Surigao.....	2.70	
Isabela.....	1,455.94		Tayabas.....	42,780.42	20,325.22
Iloilo.....	2.21	5.41	Tarlac.....	304.05	251.07
Laguna.....	12.21	12.03	Zambales.....	14,936.18	3,355.04
Leyte.....	326.04	6.71	Zamboanga.....	2,554.91	3,623.41
Manila.....	11.70	6.03			
Masbate.....	16,124.64	5,487.37	Total.....	130,199.39	48,651.37
Mindoro.....	14,527.37	1,403.47			

Attest:

A. W. HASTINGS,
Acting Collector of Internal Revenue.

EXHIBIT C.—*Statement of stamp account of A. W. Hastings, acting collector of internal revenue, for the period from September 1, 1903, to July 30, 1904.*

Dr.		
Stamps on hand September 1, 1903.....		\$759,554.15
Received from printer.....	\$143,200.00	
Received from insular treasurer.....	135,669.25	
Received from city assessor and collector.....	1,842.00	
Received from treasurer, Zamboanga.....	11.70	
Surplus taken up by order of auditor.....		

Total stamps received.....

Cr.

Issued to city assessor and collector.....	
Issued to insular treasurer.....	
Transferred to city assessor and collector.....	

Total disposed of.....

Attest:

Acting Colle

EXHIBIT D.—*Statement of property for which A. W. Hastings, as acting collector of internal revenue for the Philippine Islands, is accountable.*

NONEXPENDABLE.

2 copies acts of the Philippine Commission
(quarterly pamphlet).
3 copies Annotated Laws, Philippine Com-
mission.
1 copy Amendments and Index.
4 baskets, desk.
4 clips, board.
18 clips, spring.
5 erasers, steel.
7 inkstands, double.
8 inkstands, single.
1 copy Opinions of Attorney-General.
27 electrotype plates for printing internal-
revenue stamps.
2 pads, desk.
2 penracks.
4 rulers.
2 seals, bureau of internal revenue.

EXPENDABLE.

4 books, stenographer's note.
8 books, patente.
5 books, index.
20 erasers, ink and pencil.
4 industrial tax registers.
3 bottles ink, red.
8 bottles ink, black.
5 bottles ink, copying.
2 bottles ink, stamp pad.
8 bottles oil, typewriter.
300 sheets paper, carbon.
6 bottles paste, Library.
12 penholders.
16 cones pins, desk.
3 ribbons, typewriter.
22 stamps, rubber.
8 stamp pads.
300 sheets strawboard for mailing stamps.

Attest:

MANILA, P. I., August 1, 1904.

A. W. HASTINGS,
Acting Collector Internal Revenue.

EXHIBIT A.—Statement of collections by subcollectors of internal revenue during the months of September and October, 1903, as shown by reports on file in the office of the acting collector of internal revenue for the Philippine Islands.

Internal revenue.	Cottabato.		Davao.		Jolo.		Grand total.	
	Philippine currency.	Local currency.	Philippine currency.	Local currency.	Philippine currency.	Local currency.	Philippine currency.	Local currency.
Industrial tax.....		\$17. 75	P211. 20	\$370. 17			P211. 20	\$387. 92
Stamp sales.....		11. 67		10. 19				21. 86
Certificates of registration.....		7. 60		5. 60		\$5. 80		19. 00
Forestry.....		143. 74	1,186. 30	259. 91		1. 63	1,186. 30	405. 28
Total.....		180. 76	1,397. 50	645. 87		7. 43	1,397. 50	834. 06

EXHIBIT B.—Statement of taxes collected on forestry products cut from the several provinces, for the period from September 1, 1903, to July 31, 1904, by A. W. Hastings, as acting collector of internal revenue for the Philippine Islands.

Province in which cut.	Philippine currency.	Local currency.	Province in which cut.	Philippine currency.	Local currency.
Albay.....	P1. 55	\$328. 46	Mattl.....		\$640. 37
Bataan.....	3,930. 30	2,893. 89	Mindanao.....	P2,108. 98	1. 25
Batangas.....		63. 62	Marinduque.....	114. 25	8. 50
Basilan.....	654. 04		Moro.....	2,027. 17	
Bulacan.....	328. 04	177. 70	Nueva Ecija.....	63. 32	110. 20
Cavite.....	39. 53	25. 14	Pampanga.....	282. 08	1,026. 61
Camarines.....	19,646. 32	1,214. 82	Pangasinan.....	6. 07	4. 95
Cagayan.....	3,318. 77	811. 26	Paragua.....	2,822. 19	4,038. 29
Cottabato.....	3. 20	95. 88	Rizal.....	260. 39	404. 44
Capiz.....	240. 54	305. 91	Romblon.....	358. 83	400. 18
Davao.....	230. 82	1,483. 60	Sorsogon.....	44. 92	4. 51
Ilocos Sur.....	16. 66		Samar.....	678. 00	136. 03
Ilocos Norte.....	5. 05		Surigao.....	2. 70	
Isabela.....	1,455. 94		Tayabas.....	42,780. 42	20,325. 22
Iloilo.....	2. 21	5. 41	Tarlac.....	304. 05	251. 07
Laguna.....	12. 21	12. 03	Zambales.....	14,936. 18	3,355. 04
Leyte.....	336. 04	6. 71	Zamboanga.....	2,554. 91	3,623. 41
Manila.....	11. 70	6. 03	Total.....	130,199. 39	48,651. 37
Masbate.....	16,124. 64	5,487. 37			
Mindoro.....	14,527. 37	1,403. 47			

Attest:

A. W. HASTINGS,
Acting Collector of Internal Revenue.

EXHIBIT C.—Statement of stamp account of A. W. Hastings, acting collector of internal revenue, for the period from September 1, 1903, to July 30, 1904.

DR.

Stamps on hand September 1, 1903.....		\$759,554. 15
Received from printer.....	\$143,200. 00	
Received from insular treasurer.....	135,669. 25	
Received from city assessor and collector.....	1,842. 00	
Received from treasurer, Zamboanga.....	11. 70	
Surplus taken up by order of auditor.....	1,236. 10	
		281,959. 05
Total stamps received.....		1,041,513. 20

CR.

Issued to city assessor and collector.....	\$151,670. 65
Issued to insular treasurer.....	75,727. 00
Transferred to city assessor and collector.....	814,115. 55

Total disposed of.....

Attest:

A. W. HASTINGS,
Acting Collector Internal Revenue,

EXHIBIT D.—*Statement of property for which A. W. Hastings, as acting collector of internal revenue for the Philippine Islands, is accountable.*

NONEXPENDABLE.

2 copies acts of the Philippine Commission
(quarterly pamphlet).
3 copies Annotated Laws, Philippine Com-
mission.
1 copy Amendments and Index.
4 baskets, desk.
4 clips, board.
18 clips, spring.
5 erasers, steel.
7 inkstands, double.
8 inkstands, single.
1 copy Opinions of Attorney-General.
27 electrotype plates for printing internal-
revenue stamps.
2 pads, desk.
2 penracks.
4 rulers.
2 seals, bureau of internal revenue.

EXPENDABLE.

4 books, stenographer's note.
8 books, patente.
5 books, index.
20 erasers, ink and pencil.
4 industrial tax registers.
3 bottles ink, red.
8 bottles ink, black.
5 bottles ink, copying.
2 bottles ink, stamp pad.
8 bottles oil, typewriter.
300 sheets paper, carbon.
6 bottles paste, Library.
12 penholders.
16 cones pins, desk.
3 ribbons, typewriter.
22 stamps, rubber.
8 stamp pads.
300 sheets strawboard for mailing stamps.

Attest:

MANILA, P. I., August 1, 1904.

A. W. HASTINGS,
Acting Collector Internal Revenue.

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not be
ments for
cess or interrupt the

EXHIBIT 9.

ANNUAL REPORT OF THE COLLECTOR OF INTERNAL REVENUE.

BUREAU OF INTERNAL REVENUE
OF THE PHILIPPINE ISLANDS,
OFFICE OF THE COLLECTOR,
Manila, P. I., September 19, 1904.

The honorable HENRY C. IDE,
Secretary of Finance and Justice, Manila, P. I.

SIR: In accordance with the provisions of section 4 of the "internal-revenue law of 1904," and complying with your request of the 6th instant, I have the honor to submit herewith, for transmission to the Philippine Commission, my first annual report of the proceedings in the bureau of internal revenue, including a statement of certain collections and disbursements therein.

The data submitted herewith are necessarily quite incomplete, for the following reasons: First, only a portion of the taxes imposed in the internal-revenue law are now being collected, as by the provisions of that law the taxes imposed on certain persons, objects, and occupations do not become operative until January 1, 1905; second, this bureau has been in existence less than two months, and it has not been possible in so short a period to properly organize the work in the provinces; and third, the time available for the preparation of this report was so brief as to make it impossible to secure complete statistical reports from the provincial treasurers. No exhaustive review of the situation can, therefore, be attempted at this time. The statistics submitted herewith in the accompanying exhibits are for the city of Manila, and for the month of August, 1904, and may be taken as fairly accurate and complete. The only change which the final figures will make in the various statistics will be in the way of increasing the number of registered taxpayers and amount of taxes paid. When complete reports have been received from the provinces the figures of tax collections herein given will be increased very materially.

TAXES NOW BEING COLLECTED.

Act No. 1189 of the Philippine Commission, "the internal revenue law of 1904," enacted July 2, 1904, imposed the following taxes, effective on August 1, 1904: On each proof liter of distilled spirits, containing amyl alcohol or other poisonous substances, removed for use exclusively for industrial purposes and not as beverages, 10 centavos; on each proof liter of distilled and rectified spirits, 20 centavos; on each proof liter of manufactured liquors, 30 centavos;

on each gauge liter of fermented liquors, 4 centavos; on each kilogram of snuff or snuff flour, 32 centavos; on each kilogram of manufactured (smoking or chewing) tobacco, 48 centavos; on each 1,000 cigars, ₱2 when the manufacturer's wholesale price does not exceed 20 pesos per thousand, ₱4 when the price exceeds 20 but does not exceed 50 pesos per thousand, and ₱6 when the price exceeds 50 pesos per thousand; on each 1,000 cigarettes, 67 centavos when the weight per thousand cigarettes does not exceed 2 kilograms, and ₱2 when the weight exceeds 2 kilograms; on each gross of boxes of matches containing not to exceed 120 sticks to the box, 40 centavos, and a proportionate additional tax on each gross of boxes containing over 120 sticks to the box. The taxes on these articles accrue not at the time of their manufacture, but at the time of their removal from the manufactory for domestic sale or consumption. All of these articles manufactured for export are exempted from the payment of these taxes. The only articles of foreign manufacture made subject to the payment of these taxes are matches, on which a tax is levied at the same rate as is levied on the domestic product, and is collected at the custom-house of the port of entry.

In the original figures submitted to the Philippine Commission it was estimated that between ₱8,000,000 and ₱9,000,000 would be collected in a normal year as taxes on the articles enumerated above. The reductions made in the proposed rates before the bill was finally passed reduced this estimate to an amount between ₱6,500,000 and ₱7,500,000, or just about the amount which was collected annually during the last years of the Spanish regime from the one tax known as the *cedula personal*, or poll tax. The *cedula personal* was a direct tax of obligatory payment which none could escape, as it was a tax paid mainly for the privilege of living in these islands, and incidentally for the privilege of owning property. The poll tax imposed in the internal-revenue law will yield but the merest fraction of what was formerly collected on *cedulas personales*.

The taxes imposed on the cigars and other articles enumerated above are indirect taxes and of optional payment, each consumer suiting his own convenience as to the time and measuring his ability as to the amount of his payments. These are taxes which are paid not for the privilege of living here but for the privilege of consuming the cigars and other cheap but good things that these islands afford. Even with the taxes added, the consumer in these islands of cigars, cigarettes, or spirits can still get three or four times as much for his money as can the less fortunately situated resident of the United States or Europe. Careful inquiry made by this office has not demonstrated that the residents of these islands, native or foreign, have failed or are failing to grasp their opportunity, nor that the popular taste for cigarettes and vino has, since August 1, become sated to any appreciable extent.

PRELIMINARY WORK.

It is provided in section 152 of the internal-revenue law:

Until the collector of internal revenue shall have the proper books, stamps, and forms ready for distribution the methods provided for the administration of this act shall not be required, and he is empowered to make such temporary regulations and arrangements for the collection of the taxes imposed by this act as will not unduly embarrass or interrupt the business of the persons affected thereby.

In accordance with these provisions of law, and to carry into effect the announced policy of the government, i. e., that the law should be administered in a liberal spirit, "Circular No. 1, to all internal-revenue officers," was issued from this bureau before the 1st of August and was distributed to every part of the islands (copy of this circular is made a part of this report, marked "Exhibit A"). This circular was printed in English and Spanish and was published in the Official Gazette and in most of the local periodicals. A copy was also delivered to every registered manufacturer of the articles subject to the taxes. Tables and rules for gauging spirits have also been issued (copy inclosed, marked "Exhibit B.")^a

During the months of July and August a preliminary assessment was made in the city of Manila and in the provinces of the various manufactures, with the following result:

Taxpayers.	In Manila.			In the provinces.		
	Number.	Total anticipated output for year ending June 30, 1905.		Number.	Total anticipated output for year ending June 30, 1905.	
		Unit.	Quantity.		Unit.	Quantity.
Distillers.....	7	Proof liters...	6,627,000	490	Proof liters...	15,000,000
Breweries.....	1	Gross liters...	3,592,200			None.
Manufactured tobacco.....	23	Kilos.....	326,916			(7)
Cigars.....	66	Number.....	116,050,302	181	Number.....	12,179,500
Cigarettes.....	48	do.....	4,520,938,085	257	do.....	180,467,697
Matches, domestic.....	1	Gross boxes.....	387,700			None.
Total.....	146			928		

SUMMARY.

Taxpayers.	Number.	Total output for year ending June 30, 1905.	
		Unit.	Quantity.
Distillers.....	497	Proof liters...	21,627,000
Breweries.....	1	Gross liters...	3,592,200
Manufactured tobacco.....	23	Kilos.....	326,916
Cigars.....	247	Number.....	128,238,802
Cigarettes.....	305	do.....	4,707,405,782
Matches, domestic.....	1	Gross boxes.....	387,700
Total.....	1,074		

These figures are compiled from the declarations made by the manufacturers themselves, are based largely on the actual output for the year ending June 30, 1904, and are believed to be quite conservative.

During the twenty-nine days grace allowed, between the time these taxes were imposed and the time they became operative, July 2 to August 1, 1904, many of the manufactories in the provinces, and practically all of those in Manila, ran overtime and vastly increased their normal output. In fact, the increase in the output of cigars, cigarettes, spirits, and matches began during the month of June, when it was foreseen that the internal-revenue law would be passed, and when it was generally believed it would become operative on the 1st day of July.

Therefore, when the taxes became effective, on August 1, 1904, the market was overstocked with tobacco and alcohol products and

^a Not printed.

matches on which the taxes had not been paid and could not then be collected, inasmuch as these taxes accrue at the time of the removal of the articles from the place of their manufacture. These cigars, cigarettes, spirits, and matches were purchased by merchants and middlemen, in amounts far in excess of the normal needs of trade, for the purposes of speculation. Consumers of these articles paid during the month of August to these speculators the normal price of the articles, prior to the imposition of the taxes, plus the amount of the tax which had been paid neither by the manufacturer nor the merchant. It can, therefore, be readily seen that the profits derived from their business by the dealers in tobacco and alcohol products increased very materially during the month of August, and that these abnormal profits will continue to be collected from the actual consumers until the stocks removed before the 1st of August are entirely exhausted. It is, of course, not to be expected that as long as the dealers can continue to sell their wares at heretofore undreamed-of profits they will voluntarily resume their purchases of tax-paid articles from the manufacturers. Of course, the consumer is led to believe that the increase in price of his smoke and his drink is due to the internal-revenue tax, and the fact that there has been no serious diminution in the consumption of such articles would seem to indicate that the consuming public in these islands is able and willing to pay the amount of the taxes imposed, even though such amounts, instead of reverting to the insular treasury as taxes, are kept by the dealers as added profits.

Nor can it be doubted for a moment that the immediate effect of this law has been to temporarily increase the profits of the manufacturing industries affected by the taxes imposed. Most, probably all, of these manufactories did a thriving business during the months of June and July, and many of them, especially the distillers, were found on the 1st of August to have scarcely any stock whatever on hand. This is probably an unprecedented condition of affairs in the manufacturing annals of these islands. These manufacturers, therefore, sold during the months of June and July all of their old or normal stock, all of their normal output, and all of their forced output during those two months. Yet, according to some of the local periodicals, they now express surprise and disappointment because their sales during the month of August are not up to the normal level. It is very much like the youth who believed he could both eat his cake and have it.

The opposition to this law, so general at the start, appears now to have simmered down to the question of distilled spirits. It is claimed that this industry is irrevocably ruined. The manager of one of the largest distilleries in these islands, probably the largest distillery in the East, told me that before the end of July he had exhausted all of his sugar and other raw material, and that he was reluctantly obliged to refuse to fill orders for spirits, one of them for about 300,000 liters, even though higher prices were offered than ever before. In a case of this sort the surprise should lie in the fact not that the output for August should have been reduced, but that there was any output at all in August, inasmuch as the normal sales for that month had already been made in June and July.

There is submitted herewith a statement (Exhibit C) in which are given the figures, as returned by the Manila manufacturers

themselves, showing the actual stock on hand of the various alcohol and tobacco products and matches on July 1 and on August 1, 1904, and the total amounts of such articles sold by the manufacturers during the first month's operation of the law. To this statement are also added comparative figures showing the amount of each of such articles sold by manufacturers during an average normal month before the imposition of the taxes.

From these figures it will be seen that on July 1 the various distillers in Manila had on hand 746,420 liters of proof spirits and that on August 1 the stock in the same distilleries was only 171,387 liters of proof spirits. The difference between these two amounts, 575,033 proof liters, plus the amount in which the forced output exceeded the normal output for July, would give with a fair degree of approximation the number of liters of proof spirits with which the local market was overstocked, i. e., above the normal needs of trade, on August 1, 1904, when the tax on distilled spirits became operative.

What the amount of the excess over the normal output was in the month of July can not, unfortunately, now be accurately determined. However, as will be remembered, the leading distillers of Manila stated, at the second public session in which the proposed law was discussed before the Philippine Commission, that there had been a serious fall off in the output of their manufactories during the first five months of 1904. On the invitation of these distillers, and acting under instructions of the Commission, I met them at the office of one of the leading distillers, where the account books or transcripts therefrom were presented to me for examination by all of the leading distillers or by their representatives. This was near the end of June while the bill was still under consideration. At this meeting the fact was conclusively established, by the books and other documentary evidence, that the business done by the various Manila distilleries from January to May, inclusive, of 1904 was on an average equal to only 65 or 70 per cent of the business done by them during the same five months in the year 1903. This fact was admitted by all. I remember it distinctly, because it came as such an agreeable surprise to find that these distillers so kindly refrained from blaming the law for a slackness in business existing for several months before the date of its enactment.

It also appeared of record in some of the leading distillers' books that in the month of May, 1904, their distilleries had been in operation on an average of but five or six hours a day, whereas in 1903 these same stills had worked from eight to twelve hours a day. But the magic effect of the passage of the internal-revenue law changed all this and for a while put an end to dull times. Beginning some time in June and continuing until July 31, or until their sugar or other raw material gave out, the Manila distilleries ran overtime manufacturing and shipping anisado, ginebra, and other liquors.

There are eight distilleries in Manila, but one is not in operation, having been closed temporarily by the department of public health. The remaining seven distilleries during the first five months of this year had been running only a little over half of the normal number of hours a day. But during the month of July and during a part of June most of these distilleries ran the full number of hours, and some of them ran overtime. It would therefore not be extravagant

to estimate that the forced output of spirits during the months of June and July would equal one month's normal output during the first five months of the year. Therefore, if 575,033 proof liters, the old stock disposed of, be increased by 552,250 proof liters, one month's normal output, it would appear that the liquor market was overstocked, i.e., above normal trade needs, on August 1 by 1,127 283 liters of proof spirits, or nearly 2,000,000 gauge liters of the strength at which anisado and the other compounded liquors are commonly sold to the actual consumer.

Now, in the statements of their estimated production of spirits for the fiscal year ending June 30, 1905 (figures given above), as made by the Manila distillers themselves, it would appear that they would produce in that year something over 6,500,000 liters of proof spirits. So, figured on this basis, the local liquor market, as far as the Manila distillers were concerned, was overstocked on August 1, 1904, with liquors sufficient to supply the normal consumption for a period of over two months. Meanwhile a certain amount of spirits are being removed every day from the distilleries for domestic consumption, which adds to an already overstocked market. Therefore, to expect that normal conditions will obtain in the liquor market before the middle or end of next October is to court disappointment, because it would be to hope for a reversal of the universally accepted commercial law governing supply and demand.

Of course these figures and the inferences made therefrom are based on the Manila distilling business taken as a whole, and no attempt is made to explain wherein some of the distillers got more and others less than their normal share of the increased business during the months of June and July. Some of the distillers were quick to take advantage of the twenty-nine days' margin allowed them for the removal of their spirits, whereas others lost their time execrating the law.

OPERATION OF THE LAW DURING THE FIRST MONTH OF ITS ENFORCEMENT.

An examination of Exhibit C, herewith, giving output by articles and comparative figures, and of Exhibit D, showing the tax collections by articles for the month of August, 1904, in the city of Manila, will be found interesting in view of the statements so often made that the imposition of these taxes on tobacco and alcoholic products would prohibit their consumption.

There were removed from the various manufactories in Manila during the month of August, for domestic consumption, 44,248 proof liters of distilled spirits, 196,885 gauge liters of fermented liquors (beer), 6,969 kilograms of manufactured tobacco, 7,289,778 cigars, 106,233,420 cigarettes, and 8,750 gross boxes of matches. Compared with the normal output during an average month before these taxes were imposed, the August output stands as follows: Distilled spirits, 8 per cent; fermented liquors (beer), 66 per cent; manufactured tobacco, 25 per cent; cigars, 80 per cent; cigarettes, 28 per cent; matches, 62 per cent; or a general average of 45 per cent. The taxes collected on these articles during the month were as follows: Distilled spirits, ₱10,890; fermented liquors (beer), ₱9,465.04; manufactured tobacco, ₱2,397.67; cigars, ₱6,715.42; cigarettes,

₱73,414.90; matches, ₱3,500; making a total of ₱106,383.03. This amount is now estimated to be between 20 per cent and 25 per cent of what these taxes may be expected to yield during an average month after normal commercial conditions have been restored. The above total does not include the taxes collected on imported matches, the exact figures for which were not available.

Of the total taxes collected during August, one-half, or ₱53,191.51, was collected during the first twenty-one days and the other half was collected during the last ten days of the month. These figures should be most encouraging to the manufacturers as showing in an unmistakable manner the revival of the various industries even at this early date. For the sake of convenience the tax collections by articles are distributed in Exhibit D in three groups, each covering the collections for a period of ten days. The percentages of increase in the tax collections from period to period are also indicated. Partial returns of collections so far made during September seem to indicate that the output of the Manila manufactories, and therefore the tax collections, during the current month will considerably exceed the output and collections during August.

An analysis and explanation of the figures presented in Exhibits C and D may be made as follows:

DISTILLED SPIRITS.

This subject has been fairly well discussed in the preceding pages of this report. All of the articles subject to excise taxes deteriorate with age, except distilled spirits, which usually improve the longer they are kept. This will explain why dealers and middlemen found it profitable to lay in, before the taxes became effective, very large stocks of liquors and only comparatively large stocks of cigarettes and other perishable articles. It will also explain why the August output, as compared with the normal output, of the distilleries was proportionately so much smaller than the August output of the cigarette and other manufactories whose products are subject to these taxes. Why the output of the distilleries for the second ten days in August fell below the output for the first ten days by 12 per cent is not clearly apparent. The probability, however, is that in the rush of the last days of July certain customers were left unsupplied with liquors, and that these orders were filled after August 1 with tax-paid goods.

FERMENTED LIQUORS (BEER.)

The output of beer from the local brewery during August, 1904, was 66 per cent of its output in August, 1903. The price of this native beer was increased considerably after the American occupation, and on July 1 of this year the price was increased still more by the change made in the previous price in Mexican money to the same figure in Philippine currency. Up to August 1, 1904, the brewery allowed middlemen and dealers a discount on its published prices of 20 per cent on draft and 25 per cent on bottled beer. During the month of July last the brewery announced to its customers that on and after August 1, 1904, they would only be allowed 10 per cent discount on draft beer and from 12 per cent to 19 per cent discount on bottled beer, according to the amount of the purchase.

It is estimated that this cut in the discounts previously allowed the trade was just about equal to the tax, 4 centavos per liter, imposed in the internal-revenue law. Of course many dealers anticipated this cut in the discounts by purchasing more than the usual amount of beer in July, and the result was a drop in the August output from the brewery. The price of a glass of native beer has not increased since August 1, 1904, and the situation appears to be that the manufacturers make the same or greater profits than they did before the imposition of the tax; that the consumer pays no more than he did previously, or at most the difference between Mexican and Philippine currency, and that the middlemen and dealers pay the tax out of their profits. It was feared that after the imposition of the internal-revenue tax on the native beer Japanese imported beer might wage a disastrous competition with the native product, unless such foreign beer was also made subject to this tax. This office has since learned that the Japanese Government pays a bounty of 1 yen and 39 sen on each case of beer, containing 36 liters, exported from that country. This bounty is therefore just about the same per liter as the internal-revenue tax imposed here on the native product. A separate and detailed report will be made on this matter.

MANUFACTURED TOBACCO.

There is little chewing, snuff taking, or pipe smoking done in these islands. The picadura, or fine-cut tobacco, turned out mostly by small manufactories, is used almost exclusively for the making of cigarettes. The tax imposed in the internal-revenue law on this picadura is proportionately higher than the other taxes. The likelihood is that the more strictly the law is enforced with regard to this tax the greater will the output of the cigarette manufactories become. Some 4,000 kilograms of manufactured tobacco exported to other countries, and on which no taxes were collected, are not included in Exhibit D.

CIGARS.

Notwithstanding the fact that large amounts of cigars were removed by dealers from the local manufactories in July to supply the August trade, and that even many of the actual consumers, anticipating an increase in the price in August, made their purchases in July, there was a reduction of only 20 per cent from the normal output in the cigars sold by the Manila manufacturers during the month of August. Cigars require a larger proportion of manual labor in their manufacture than any of the other articles subject to these taxes. For this reason the capacity of a cigar manufactory is largely a question of the number and skill of the cigar makers it employs, and it is not so easy to quickly increase its production and output. For this reason, and also because of large quantities of leaf tobacco which were damaged by the floods early in July, the output of the Manila manufactories was not as large during that month as some of the manufacturers might perhaps have wished. The August output of the cigar manufactories was, therefore, larger than it would otherwise have been. In addition to the 7,289,778 cigars sold for domestic consumption there were exported during August, mostly to China, the Straits Settlements, Australia, and Europe, 6,282,260 cigars.

CIGARETTES.

It is estimated that fully one-half of all the taxes paid on tobacco and alcoholic products will be collected on cigarettes. In view of this fact the movement in the output of cigarettes from the Manila manufactories during the month of August is most satisfactory, as indicating a speedy resumption of their normal output. The taxes collected on cigarettes from the 11th to the 20th of August were more than twice as great as the taxes collected during the first ten days of that month; again, the taxes collected during the last eleven days of the month were more than double the taxes collected between the 10th and the 20th. The increase in the output of tax-paid cigarettes is, therefore, proceeding by leaps and bounds. It was stated at the second public session, in which the proposed law was discussed before the Philippine Commission, that notwithstanding the fact that many cheaper grades of cigarettes were on the market, the vast majority of the consumers of cigarettes voluntarily paid from 2 to 4 centavos more for the better grades. This was before the imposition of the tax. It is not now seriously believed by anyone that the tax imposed, 1 centavo on each 15 cigarettes, will reduce the consumption of these "necessities" to an appreciable extent. That the output from the cigarette manufactories of Manila during August only reached 28 per cent of the normal output during previous months is satisfactorily explained by the well-known fact that all of these manufactories increased enormously their output during July, and that on August 1 (as shown by Exhibit C) their stock on hand was only 16 per cent of the normal stock on hand on July 1. In fact, 7 of the largest of these manufactories were found on August 1, when the tax became effective, to have not a single cigarette on the premises. Besides the 106,233,420 cigarettes sold by the Manila manufacturers for domestic consumption, there were 2,150,825 cigarettes exported to other countries. No tax was collected on these exports, and therefore they are not included in the figures in Exhibit D.

MATCHES.

The statistics on foreign and domestic matches reveal a most interesting state of affairs in the local match market. The average monthly importation of Japanese matches during June and the preceding months in this year was about 38,000 gross of boxes, and the average output of the local match manufactory during the same period was about 14,000 gross of boxes, making a total of 52,000 gross of boxes of matches consumed in a normal month in these islands. Anticipating the effects of the internal-revenue law the local importers brought in from Japan during July 218,401 gross of boxes, and the local match manufactory sold out its entire stock of 47,750 gross and all that it could turn out by forced production during July. There were, therefore, in the hands of the local merchants and speculators on August 1, 1904, an amount considerably in excess of 266,151 gross of boxes, or enough to supply the normal needs of trade for a period of five months from August 1. Under these circumstances it was not to be expected that the importation of foreign matches and the output of domestic matches would be very brisk during August, and when the owner of the local manufactory closed

his books on the 1st of August, and declared that he had not a match in the house, he told an internal-revenue officer that he did not expect to sell any more matches this year. Much to his surprise, however, he paid during August ₱3,500 in taxes on an output of 8,750 gross of boxes, or 62 per cent of the normal output from his manufactory during an average month before the tax on matches was imposed. Only one explanation of this anomalous condition of affairs can be given, and that is that the large stocks of foreign and domestic matches are now in the hands of a limited number of speculators, who hold them at a price equal to that of the tax-paid article. And the smaller merchants and consumers, who had laid in no stocks, finding no choice in the matter as regards price, have continued to trade to a large extent with the local manufacturer, and to whom they paid the taxes on all the matches purchased during August.

DISTILLATION IN THE PROVINCES.

There are 8 well-equipped distilleries in Manila, and about 25 or 30 more in the provinces. The remainder of the 497 distilleries, so far registered in these islands, are primitive affairs, known locally as "cauas." An empty hogshead, a coal-oil can, a tin pan, and a couple of joints of bamboo properly arranged near a stream make a caua. Wherever there are nipa-palm swamps, and no large distilleries cauas abound. In the province of Pangasinan alone there are over a hundred of these cauas, usually attended by a man and a boy. The tuba, or fermented sap from the nipa palm, is put in the can over a fire and under the hogshead. A constant supply of cold water is kept running through the pan at the top of the hogshead. The watery vapor carries the spirits up to the bottom of the pan, where it condenses and falls into the spilt bamboo, arranged gutterwise, and trickles out through the side of the hogshead.

This is the commercial vino de nipa, and it all contains large quantities of amyl alcohol and other poisonous ingredients. It is a very popular drink. Many cases of death or insanity are reported as due to an excessive use of this liquor. Were it not for the fact of the temperate manner in which the natives consume this liquor there would soon be an utter dearth of consumers.

In La Laguna and some other provinces the sap of the cocoanut bud is also distilled into what is known as vino de coco. Some of the cauas used for the distillation of these saps are stone-clay ovens on which is fixed a boiler of iron or copper, in connection with which is used a wooden cylinder and copper coil, called a "toong" by the natives.

The principal nipa districts lie in the provinces of Capiz, Bulacan, Pampanga, and Pangasinan. In all of these provinces are a few large distilleries, and to these the tuba is brought for distillation. Scarcely any of these distilleries, however, are equipped to rectify the crude spirits and remove the amyl alcohol and other poisonous substances. In the past a large proportion of these crude spirits were brought to Manila for rectification. When the provisions of the internal-revenue law regarding the sale of impure spirits for use as beverages are fully enforced very nearly all of these crude spirits will be rectified before they get to the consumers.

About half of the impure spirits produced in these islands comes from the nipa swamps in the province of Bulacan. The tuba is

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gathered in jars and most of it is sold by the owners of the nipa lands to the Chinese distillers, about 12 or 13 in number, who have engaged in the distilling business in that province for many years.

The Manila distillers use a certain proportion of sugar as raw material in the distilling of spirits, but the bulk of their anisado, ginebra, and other compounded liquors is made from crude spirits brought from Bulacan and the other provinces, and rectified in Manila. On August 1, when the Manila and Bulacan distilleries reduced the amount of their output, the demand for tuba ceased. The owners of the nipa lands and a large number of men employed in the swamps gathering the tuba complained bitterly. They blamed not the law alone, but also the owners of the distilleries, who they claimed had of late years been in the habit of putting their own price on the tuba and getting it for a song. The distillers, on the other hand, claimed that they, and not the owners of the nipa lands and gatherers of the tuba, were the ones whom the law injured, for the reason that they, the distillers, had already advanced to the owners of the nipa lands about ₱200,000, which they could not collect until this season's tuba crop was delivered. The situation was aggravated by the fact that, relying on false reports published during June to the effect that the internal-revenue law would not be passed, a number of the owners of nipa lands had cut the nipa buds and, in default of a market for tuba, the sap was running to waste. It was estimated that over ₱50,000 worth of tuba was thus lost in one town.

For a while some anxiety was felt on account of the number of the unemployed in the province of Bulacan. However, the situation has now been relieved, or will soon be relieved. Last week the provincial treasurer of Bulacan telegraphed this office for the detail of an agent to assist in the assessment work in that province, as the distillers were about to resume operations, and a couple of days since he reported to this office as follows:

During the month of August but one of the 14 distilleries of Bulacan was in operation. This distillery was operated continuously during August, but none of the spirits distilled has as yet been disposed of.

On September 12 one of the larger distillers of the province applied for a license to begin operations and another distiller has notified me that he will begin operations before the 24th instant.

If this latter-mentioned distillery resumes operations, I am quite certain that the remaining distilleries, which are the largest in this province, will open up, possibly during the first part of the coming month.

Another distillery is being extensively repaired and new and more modern machinery is being installed. This distillery should resume operations October 1.

A new distillery now in course of construction is being hurried to completion. This distillery should be in operation by the 1st of November.

The balance of the distilleries in the province will be reopened so soon as the operators have disposed of the large stock of spirits distilled during June and July, and no further trouble relative to this industry here is anticipated.

ENFORCEMENT OF THE LAW.

The enforcement of the law and the assessment and liquidation work in Manila has been attended to by the agents of this office, assisted during July and August by the deputy city assessor. Very little friction has been encountered in getting the law into operation in accordance with the temporary provisions contained in "Circular No. 1, to all internal-revenue officers" (Exhibit A, herewith).

The majority of the manufacturers of tobacco and alcoholic products are subjects of Spain and of the Chinese Empire. There has been a cheerful disposition manifested by all of these manufacturers to comply fully with the provisions of the law and the regulations. The Hon. Mun Yew Chung, consul-general of the Chinese Empire, kindly volunteered to aid this office in making the law clear to the Chinese subjects in Manila, and thanks are due him for valuable cooperation.

The stamps in the various denominative values, for use in the payment of the internal-revenue taxes, have now been printed by the bureau of public printing, and, so soon as they have been gummed and perforated, will be deposited in the vaults of the insular treasury. The permanent regulations, to replace the temporary regulations now in force, will be issued as soon as practicable.

The time is now near at hand when a strict enforcement of all of the provisions of the internal-revenue law is imperatively demanded if it is expected to bring the tax yield up to the expected figure and in order to protect the larger manufacturers from illegal competition. It is confidently expected that the affixture of the internal-revenue stamps to the official invoice instead of to the packages of goods will to a large extent protect the bona fide manufacturers and secure a more complete collection of the taxes.

For the purpose of imitating imported and high-priced liquors holes are drilled in the bottom of glass bottles, the contents removed and replaced with inferior spirits, and the hole plugged with a gob of melted glass. To be able to sell on the mainland inferior cigars as the output of well-known Manila manufactories the bottom of the box is dexterously removed, the choice cigars removed and poor ones put in their place, the bottom returned to its place, and the manufacturer's trade-mark and labels on the cover left intact. Of course where such ingenious frauds are practiced internal-revenue stamps on corks and lids would afford but scant protection.

DISBURSEMENTS.

The following is a statement of the appropriations made for this bureau by Act 1225 of the Philippine Commission and of the amounts expended during the month of August, 1904:

	Appropriated.	Expended.	Balance.
Salaries and wages	P75,000.00	P2,354.22	P72,645.78
Contingent expenses	40,000.00	1,808.46	38,191.54
Total	115,000.00	4,222.68	110,777.32

Of the above disbursements for contingent expenses, P1,764.66 were expended for office furniture and supplies through the insular purchasing agent.

The expenses incurred by the provincial treasurers in the enforcement of the law are paid from provincial funds. Many of the provincial treasurers will be unable to properly attend to this work and secure a prompt and complete payment of the various taxes now in force, and those that will become effective on January 1, 1905,

unless they are allowed additional employees or unless agents are detailed from this bureau to assist them in their work in the field. Agents have already been detailed to this work in certain provinces and more will be sent as occasion requires. Further experience will soon demonstrate whether or not a sufficient number of agents have been provided for in the law to properly attend to the inspection and assessment work in Manila and in the provinces.

CONCLUSION.

This office has no recommendations to make at this time as to amendments to the law. There has been a widespread misapprehension as to the effect of the taxes imposed, of the provisions of the law, and as to the manner of their enforcement. The total per annum per capita taxes which will be collected on tobacco and alcoholic products is less than ₱1, or 2 centavos each week. It has been asserted by the manufacturers that in these islands these articles are of universal consumption, even the women and children using their share. If this be so, then the head of an average family of five would pay, as his weekly tax bill for the family smoking and drinking, the sum of 10 centavos. It is not believed that the imposition of so moderate a tax will tend to curtail the consumption of these articles to any appreciable extent.

In Porto Rico the per annum per capita tax on tobacco and alcoholic products is something over \$1, or ₱2. In the United States it is approximately \$3, or ₱6. In England and in most European countries these taxes are imposed in even higher rates. Many countries in Europe have established a government monopoly in the production of these articles and their manufacture by individuals is prohibited. Spain has for many years had a monopoly in the manufacture of tobacco products, and within the last three or four months has very greatly increased the internal-revenue tax rates on distilled spirits.

The opposition of a large portion of the local press, which had subsided during August, was revived during the first days of September. A leading manufacturer of Manila was lamenting this fact in this office a few days since. He said that his business was in a very satisfactory state, and that as dealers' stocks were becoming exhausted there was a notable increase in the purchases from his manufactory. But, he added, the new campaign against the law inaugurated by the press raised the hopes of the merchants and middlemen that these taxes would be abolished or reduced, and that by holding up their purchases for a short while they would get their goods cheaper.

Of course the opposition to this law at this time can retard, but it can not prevent, its final success. The only regrettable feature to this opposition is that the smaller and more ignorant manufacturers of vino, cigars, and cigarettes have been and are being educated to an attitude of unreasoning hostility to this law. Therefore whenever the provisions of the law are strictly enforced, illicit stills and cigar and cigarette factories will begin to operate behind closed doors and in inaccessible regions. Long after the larger manufacturers shall have recognized, with satisfaction, that their opposition to this tax was a mistake and have settled down to the new order

of things, they will have to suffer the illegal competition waged by these "moonshiners" and illicit manufacturers of all kinds.

It will then become the duty of this office and of the provincial treasurers to weed out these lawbreakers and bring them to justice. It is hoped that the existing penal provisions of the internal-revenue law will be found sufficient to meet the case. But should this not prove to be so this office will, at the proper time, recommend that the Philippine Commission reintroduce, by amendment, into the internal-revenue law certain of the harsher of the penal provisions embodied in the original draft of the law and which were eliminated by the Commission because of the indignant objections raised by the large manufacturers of Manila.

Respectfully submitted.

JNO. S. HORD,
Collector of Internal Revenue.

EXHIBIT A.

CIRCULAR }
No. 1. }

THE GOVERNMENT OF THE PHILIPPINE ISLANDS,
DEPARTMENT OF FINANCE AND JUSTICE,
BUREAU OF INTERNAL REVENUE,
Manila, P. I., August 1, 1904.

To all internal-revenue officers:

SUBJECT: *Preliminary instructions as to the assessment and collection of taxes on distilled spirits, manufactured liquors, fermented liquors, manufactured tobacco, cigars, cigarettes, and matches.*

1. By the provisions of section 71 to 109, inclusive, of "the internal-revenue law of nineteen hundred and four," certain taxes, effective on and after August 1, 1904, are imposed on the objects and in the amounts enumerated in the next succeeding paragraph.

TAXES ON DISTILLED SPIRITS.

2. (a) On all distilled spirits manufactured in the Philippine Islands containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) in the proportion of four or more parts in one thousand, when removed from the place of their manufacture for domestic sale or consumption exclusively for manufacturing or industrial purposes, and not for use as beverages, there shall be levied and collected on each proof liter a tax of 10 centavos (sec. 88).

(b) On all distilled spirits containing the poisonous substances in the proportions mentioned in the preceding subdivision removed from the place of their manufacture to a rectifying establishment for the purpose of their rectification and to reduce the amyl alcohol or other poisonous substances to four or less parts in one thousand there shall be levied and collected, when rectified and the poisonous substances removed as aforesaid, an additional tax of 10 centavos on each proof liter of such rectified spirits removed from the rectifying establishment for domestic sale or consumption as beverages (sec. 88).

(c) On all distilled and rectified spirits removed from the place of their manufacture for domestic sale or consumption there shall be levied and collected on each proof liter a tax of 20 centavos (sec. 74).

(d) On all distilled spirits intended for domestic sale or consumption as beverages, which may be changed in form by a liquor manufacturer, by the addition of flavoring extracts, of other kinds of liquors, or of coloring matter (except methylene blue, etc., which is added to impure spirits), there shall be levied and collected on each proof liter of spirits contained in such manufactured liquors, when removed from the place of their manufacture, an additional tax of 10 centavos, which shall be distinct from and in addition to the tax imposed on the spirits used in the compounding of such manufactured liquors (sec. 87).

TAX ON FERMENTED LIQUORS.

(e) On all beer, lager beer, ale, porter, and all other fermented liquors (except the native fermented drinks known as tuba, basi, tapuy, etc.) brewed or fermented in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each gauge liter of such fermented liquor a tax of 4 centavos (sec. 91).

TAXES ON MANUFACTURED TOBACCO.

(f) On all snuff and snuff flour manufactured or partially manufactured in the Philippine Islands, when removed from the place of manufacture for domestic sale or consumption, there shall be levied and collected on each kilogram a tax of 32 centavos (sec. 101).

(g) On all chewing and smoking tobacco manufactured or partially manufactured in the Philippine Islands, when removed from the place of manufacture for domestic sale or consumption, there shall be levied and collected on each kilogram a tax of 48 centavos (sec. 101).

TAXES ON CIGARS.

(A) On all cigars manufactured in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each one thousand cigars a tax at one of the following rates: When the manufacturer's wholesale price does not exceed ₱20 per thousand, ₱2; when the manufacturer's wholesale price exceeds ₱20 but does not exceed ₱50 per thousand, ₱4; when the manufacturer's wholesale price exceeds ₱50 per thousand, ₱6 (sec. 107).

TAXES ON CIGARETTES.

(i) On all cigarettes manufactured in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each one thousand cigarettes a tax at one of the following rates: When the rate per thousand cigarettes exceeds 2 kilograms, ₱2; when the rate per thousand cigarettes does not exceed 2 kilograms, from August 1, 1904, to June 30, 1905, both inclusive, 67 centavos; when the weight per thousand cigarettes does not exceed 2 kilograms, on and after July 1, 1905, ₱1 (sec. 107).

TAXES ON MATCHES.

(j) On all matches manufactured in the Philippine Islands or imported from other countries, when removed from the place of their manufacture or from the customs warehouse of the port of entry, as the case may be, for domestic sale or consumption, there shall be levied and collected on each gross of boxes containing not more than 120 sticks to the box, 40 centavos; and a proportionate additional tax shall be levied and collected on each gross of boxes containing over 120 sticks to the box (sec. 108).

WHEN TAXES ACCRUE.

3. The taxes imposed on the articles enumerated in the preceding paragraphs accrue not at the time of their manufacture but at the time of their actual removal for domestic sale or consumption from the place of their manufacture or bonded warehouse. Articles manufactured prior to August 1, 1904, and which on said date are still in the possession of the manufacturers thereof, whether at the manufactory or elsewhere, are liable to the payment of the taxes imposed, which should be levied and collected at the time of the removal of such articles from the manufactory or other premises. But the taxes imposed shall not be collected on any of the articles enumerated which on August 1, 1904, are outside of the manufactory premises and in the possession of persons who are not the manufacturers of such articles; nor shall the taxes imposed be collected on any of the articles enumerated, whether manufactured before or after August 1, 1904, and which may be removed from the place of their manufacture, bonded warehouse, or other premises for exportation to other countries and not for domestic sale or consumption (secs. 28 (a), 35, and 36).

TAXES, HOW ASSESSED.

4. The taxes on distilled and rectified spirits and liquors manufactured therefrom for use as beverages will be assessed as follows:

(a) A manufacturer who from raw materials distills impure spirits and removes them to a rectifying establishment shall pay at the time of such removal a tax of 10 centavos on each proof liter of impure spirits so removed.

(b) A manufacturer who rectifies impure spirits originally distilled by another manufacturer, and who removes such rectified spirits for immediate domestic sale or consumption or to some other establishment for the purpose of their conversion into manufactured liquors, shall pay at the time of such removal a tax of 10 centavos on each proof liter of rectified spirits so removed.

(c) A manufacturer who changes the form of spirits distilled and rectified by other manufacturers by the addition of flavoring extracts, etc., as to convert such spirits into

manufactured liquors, and who removes such manufactured liquors for domestic sale or consumption, shall pay at the time of such removal a tax of 10 centavos on each proof liter of manufactured liquors so removed.

(d) A manufacturer who distills spirits from raw materials and who on the same premises, at the time of such original distillation or at any subsequent time, separates the pure from the impure spirits by rectification, and who removes such rectified spirits for immediate domestic sale or consumption, or to some other establishment for the purpose of their conversion into manufactured liquors, shall pay at the time of such removal a tax of 20 centavos on each proof liter of rectified spirits so removed.

(e) A manufacturer who distills spirits from raw materials and who on the same premises, at the time of such original distillation or at any subsequent time, separates the pure from the impure spirits by rectification, and who also at the time of such distillation or rectification or at any subsequent time, and on the same premises, changes the form of such distilled or rectified spirits by the addition thereto of flavoring extracts, etc., so as to convert such spirits into manufactured liquors, and who removes such manufactured liquors for domestic sale or consumption, shall pay at the time of such removal a tax of 30 centavos on each proof liter of manufactured liquors so removed.

(f) Proof spirits are defined as follows in section 72 of the law: "Proof spirits shall be held to be that alcoholic liquor which contains one-half its volume of alcohol of a specific gravity of seven thousand nine hundred and thirty-nine ten thousandths at sixty degrees Fahrenheit of temperature." An alcoholmeter and a thermometer will be sent with this circular to all provincial treasurers who have so far reported the existence of distilling or rectifying establishments within their provinces. A table of equivalents with rules for the reduction of gauge to proof liters at all degrees of temperature, and rules for the gauging of spirits, will also be printed and sent as soon as possible to all revenue officers.

● FERMENTED LIQUORS.

5. The taxes of fermented liquors will be assessed on the total number of gauge liters removed for domestic sale or consumption regardless of the percentage of alcohol contained in such liquors.

MANUFACTURED TOBACCO.

6. The taxes on snuff and manufactured tobacco will be assessed on the actual number of kilograms removed for domestic sale or consumption, and when the weight of the wrappers or boxes in which such snuff or tobacco is packed is included in the weight of the snuff or tobacco invoiced, the tax will be assessed on such total weight and no allowance will be made for the weight of such wrappers or boxes.

CIGARS.

7. (a) The taxes on cigars will be assessed on the cigars removed for domestic sale or consumption, using as a basis the price list at wholesale published by each manufacturer, from which should be deducted the discount, if any, allowed by each manufacturer to the trade in general. Where no price list is published, or where different prices are charged different customers for the same kind of cigars, the assessment should be made using as a basis the price charged in each case. Where the price reported in any case by the manufacturer is manifestly too low, and where as a result of such undervaluation the cigars would fall under a lower tax rate than that under which they properly belong, the assessment will be made using as a basis the actual average selling price by manufacturers at wholesale of cigars of the same kind or similar in quality to the cigars which may have been undervalued.

(b) All manufacturers of cigars or cigarettes, whether such cigars or cigarettes are made in manufactories, in stores, or in the homes of the manufacturers, shall pay the taxes imposed in section 107 on all such cigars or cigarettes removed from any locality where made for domestic sale or consumption; but the taxes on cigars or cigarettes made by manufacturers in their homes and delivered to larger manufacturers shall be paid at the time of the removal of such cigars or cigarettes for domestic sale or consumption from such larger manufactories.

CIGARETTES.

8. (a) The taxes on cigarettes will be assessed on the cigarettes removed for domestic sale or consumption, using as a basis the actual weight, under normal conditions of humidity, of 1,000 cigarettes; and there shall be included in such weight the weight of the paper in which each individual cigarette is rolled, but not the box wrapper, or label in which the cigarettes are placed.

(b) The taxes on cigarettes manufactured in their homes by small manufacturers for delivery to the larger manufacturers shall be paid in the manner provided in subdivision (b) of the next preceding paragraph.

MATCHES.

9. (a) The taxes on matches will be assessed on the number of gross manufactured in the Philippine Islands and removed for domestic sale or consumption, using as a basis the average number of individual matches in each box; thus, any number of sticks up to and including 120 to a box will be assessed at 40 centavos per gross of boxes; 121 sticks to a box will be assessed at forty and one-third centavos per gross of boxes; 123 sticks to a box will be assessed at 41 centavos per gross of boxes; 240 sticks to a box will be assessed at 80 centavos per gross of boxes.

(b) Matches imported from other countries for domestic sale or consumption in the Philippine Islands are under the provisions of sections 108 and 109 made subject to the same taxes as are imposed on matches manufactured in the Philippine Islands for domestic sale or consumption. The taxes on imported matches will be assessed and collected by customs officers, to be designated by the collector of customs for the Philippine Islands. The assessment of this tax will be made in the manner provided in subdivision (a) of this paragraph for the assessment of taxes on matches manufactured in the Philippine Islands, and the taxes on imported matches will be paid before they are delivered to the importer or removed from the customs warehouse.

TEMPORARY REGULATIONS FOR THE COLLECTION OF TAXES.

10. The foregoing regulations, until repealed or amended, will govern the manner in which the assessment of the articles referred to shall be made. With regard to the collection of the taxes imposed, attention is invited to the following provision of the law:

"SEC. 152. Until the collector of internal revenue shall have the proper books, stamps, and forms ready for distribution, the methods provided for the administration of this act shall not be required; and he is empowered to make such temporary regulations and arrangements for the collection of the taxes imposed by this act as will not unduly embarrass or interrupt the business of the persons affected thereby."

Therefore, until such time as the stamps, register, and invoice books, bonds, and other forms and the necessary instructions, now being prepared, are issued, the record of articles manufactured and removed shall be kept and the taxes thereon shall be collected in the manner provided in the next succeeding paragraph.

RECORD BOOK.

11. (a) On August 1, 1904, each manufacturer of any of the articles subject to the taxes aforesaid shall provide a record book for each class of articles manufactured by him. The location of the factory by province, barrio, or town and street number, the name of the manufacturer, and the name of the owner and of the manager shall be entered on the first page of each book, together with the name of the article manufactured. The record books shall be ordinary blank books of a convenient size, and shall have on the first page the impress of the seal of the provincial treasurer or his authorized deputy, or by an internal-revenue agent; and such record books shall be used exclusively for the entries provided for in this paragraph.

ENTRY OF STOCK AND ARTICLES MANUFACTURED AND REMOVED.

(b) The second, fourth, sixth, etc., pages in each record book shall be marked "Debit," and the first entry made thereon shall be the total stock of taxable articles on the manufactory premises on the morning of August 1, 1904, and thereafter at the close of work each day the owner or manager of the manufactory shall enter on such "debit" pages the total of taxable articles manufactured during the preceding twenty-four hours. The third, fifth, seventh, etc., pages in each record book shall be marked "Credit," and the owner or manager of the manufactory shall promptly at the time of removal of any articles from the premises make entry of the same on such "credit" pages, if for domestic sale or consumption in black ink and if for export to other countries in red ink. Whenever a "debit" or a "credit" page has been filled both it and the "credit" or "debit" page facing it shall be added up and both totals carried over to the next "debit" and "credit" pages. All blank spaces shall be ruled off and at the foot of each filled page the following certificate shall be entered and signed by the owner or manager of the manufactory: "I certify that the entries contained on this page fully and truly describe all of the taxable articles manufactured or removed from the manufactory premises from the — day of — to the — day of —, and that no articles manufactured or removed have been omitted. — owner or manager."

PAGES OF RECORD BOOK.

(c) The record books for distilled or rectified spirits or manufactured liquors shall have on each page three columns, in the first of which shall be entered the number of gauge (or volume capacity) liters, in the second column the alcoholmeter (Gay Lussac) and thermometer readings (centigrade), and in the third column the equivalent of the total gauge liters shall be expressed in liters of proof spirits. The record books for manufactured tobacco shall have on each page two columns, in the first of which shall be entered the number of kilograms of snuff and in the second column the number of kilograms of smoking or chewing tobacco. The record books for cigars shall have on each page three columns, in the first of which shall be entered the number of cigars valued at ₱20 or less per thousand, in the second column the number of cigars valued at more than ₱20 but not more than ₱50 per thousand, and in the third column the number of cigars valued at more than ₱50 per thousand. The record books for cigarettes shall have on each page two columns, in the first of which shall be entered the number of cigarettes weighing 2 kilograms or less per thousand, and in the second column the number of cigarettes weighing more than 2 kilograms per thousand. The record books for matches shall have on each page three columns, in the first of which shall be entered the number of gross of boxes containing each box 120 sticks or less, in the second column the number of gross of boxes containing each box more than 120 sticks, and in the third column the average number of sticks to each box when it exceeds 120.

ENTRY AND MEMORANDUM SLIP FOR ARTICLES REMOVED.

(d) Manufacturers shall enter on the "credit" pages the date of the removal of each lot of articles, and the name and residence of the purchaser or person to whom consigned, and shall in the proper columns, on such "credit" pages, enter a true description of the articles removed, and shall deliver, at the time of such removal, to the purchaser or carrier a memorandum slip on which shall be copied the entries made in the record book. The entries made on such "credit" pages shall be numbered consecutively, beginning with "No. 1" for the first lot of articles removed on August 1, 1904, from each manufactory. Each memorandum slip given to the purchaser or sent to the consignee shall be given the same number as is given to the corresponding entry in the record book, and all such memorandum slips shall be signed by the owner, manager, or employee in charge of the articles removed from the manufactory.

LIQUIDATION SHEETS AND PAYMENT OF TAXES.

(e) At daily, weekly, or other frequent intervals, in the discretion of each provincial treasurer, a balance shall be struck in the record book in each manufactory and a liquidation of the account showing the taxes due on articles removed for domestic sale or consumption since August 1, 1904, or since the date of the last liquidation, shall be entered in the record book and signed by the provincial treasurer or other internal-revenue officer who strikes the balance, makes the liquidation, and inspects the stock of articles remaining on the manufactory premises. Manufacturers shall from day to day make on loose sheets two copies of all entries made on the "debit" and "credit" pages of their record books, and at the time of each liquidation of a manufacturer's record book the two copies shall also be added up and liquidated and signed by the provincial treasurer or other revenue officer who makes the inspection. The manufacturer shall then sign both such copies and at once deliver, or transmit them to the treasurer or deputy treasurer of the proper province, together with the amount of taxes due. Any internal-revenue officer may make and certify to a liquidation of a manufacturer's account, but only provincial treasurers or their authorized deputies are authorized to receive and receipt for money in payment of taxes.

RECEIPT AND RECORD OF TAXES PAID.

(f) Provincial treasurers and their deputies shall on August 1, 1904, open a ledger account with each manufacturer, of the articles mentioned above, in each locality. They shall debit each such account with the stock of articles on the manufactory premises on August 1, 1904, and thereafter with the articles manufactured as shown from time to time by the liquidation sheets; they shall credit each such account with all articles removed for export and with all articles on which the taxes are paid as shown from time to time by the liquidation sheets. When the liquidation sheets and the money in payment of the taxes due are presented to a provincial treasurer or his deputy, as provided in the next preceding subdivision (e), such officer shall at once enter the totals in the proper ledger account, receipt each copy of the liquidation sheets, return one copy to the manufacturer, send the other by first mail to the collector of internal revenue, and hold the money received as taxes until the stamps, register,

(b) The taxes on cigarettes manufactured in their homes by small manufacturers for delivery to the larger manufacturers shall be paid in the manner provided in subdivision (b) of the next preceding paragraph.

MATCHES.

9. (a) The taxes on matches will be assessed on the number of gross manufactured in the Philippine Islands and removed for domestic sale or consumption, using as a basis the average number of individual matches in each box; thus, any number of sticks up to and including 120 to a box will be assessed at 40 centavos per gross of boxes; 121 sticks to a box will be assessed at forty and one-third centavos per gross of boxes; 123 sticks to a box will be assessed at 41 centavos per gross of boxes; 240 sticks to a box will be assessed at 80 centavos per gross of boxes.

(b) Matches imported from other countries for domestic sale or consumption in the Philippine Islands are under the provisions of sections 108 and 109 made subject to the same taxes as are imposed on matches manufactured in the Philippine Islands for domestic sale or consumption. The taxes on imported matches will be assessed and collected by customs officers, to be designated by the collector of customs for the Philippine Islands. The assessment of this tax will be made in the manner provided in subdivision (a) of this paragraph for the assessment of taxes on matches manufactured in the Philippine Islands, and the taxes on imported matches will be paid before they are delivered to the importer or removed from the customs warehouse.

TEMPORARY REGULATIONS FOR THE COLLECTION OF TAXES.

10. The foregoing regulations, until repealed or amended, will govern the manner in which the assessment of the articles referred to shall be made. With regard to the collection of the taxes imposed, attention is invited to the following provision of the law:

"Sec. 152. Until the collector of internal revenue shall have the proper books, stamps, and forms ready for distribution, the methods provided for the administration of this act shall not be required; and he is empowered to make such temporary regulations and arrangements for the collection of the taxes imposed by this act as will not unduly embarrass or interrupt the business of the persons affected thereby."

Therefore, until such time as the stamps, register, and invoice books, bonds, and other forms and the necessary instructions, now being prepared, are issued, the record of articles manufactured and removed shall be kept and the taxes thereon shall be collected in the manner provided in the next succeeding paragraph.

RECORD BOOK.

11. (a) On August 1, 1904, each manufacturer of any of the articles subject to the taxes aforesaid shall provide a record book for each class of articles manufactured by him. The location of the factory by province, barrio, or town and street number, the name of the manufactory, and the name of the owner and of the manager shall be entered on the first page of each book, together with the name of the article manufactured. The record books shall be ordinary blank books of a convenient size, and shall have on the first page the impress of the seal of the provincial treasurer or his authorized deputy, or by an internal-revenue agent; and such record books shall be used exclusively for the entries provided for in this paragraph.

ENTRY OF STOCK AND ARTICLES MANUFACTURED AND REMOVED.

(b) The second, fourth, sixth, etc., pages in each record book shall be marked "Debit," and the first entry made thereon shall be the total stock of taxable articles on the manufactory premises on the morning of August 1, 1904, and thereafter at the close of work each day the owner or manager of the manufactory shall enter on such "debit" pages the total of taxable articles manufactured during the preceding twenty-four hours. The third, fifth, seventh, etc., pages in each record book shall be marked "Credit," and the owner or manager of the manufactory shall promptly at the time of removal of any articles from the premises make entry of the same on such "credit" pages, if for domestic sale or consumption in black ink and if for export to other countries in red ink. Whenever a "debit" or a "credit" page has been filled both it and the "credit" or "debit" page facing it shall be added up and both totals carried over to the next "debit" and "credit" pages. All blank spaces shall be ruled off and at the foot of each filled page the following certificate shall be entered and signed by the owner or manager of the manufactory: "I certify that the entries contained on this page fully and truly describe all of the taxable articles manufactured or removed from the manufactory premises from the — day of — to the — day of —, and that no articles manufactured or removed have been omitted. — owner or manager."

PAGES OF RECORD BOOK.

(c) The record books for distilled or rectified spirits or manufactured liquors shall have on each page three columns, in the first of which shall be entered the number of gauge (or volume capacity) liters, in the second column the alcoholmeter (Gay Lussac) and thermometer readings (centigrade), and in the third column the equivalent of the total gauge liters shall be expressed in liters of proof spirits. The record books for manufactured tobacco shall have on each page two columns, in the first of which shall be entered the number of kilograms of snuff and in the second column the number of kilograms of smoking or chewing tobacco. The record books for cigars shall have on each page three columns, in the first of which shall be entered the number of cigars valued at P 20 or less per thousand, in the second column the number of cigars valued at more than P 20 but not more than P 50 per thousand, and in the third column the number of cigars valued at more than P 50 per thousand. The record books for cigarettes shall have on each page two columns, in the first of which shall be entered the number of cigarettes weighing 2 kilograms or less per thousand, and in the second column the number of cigarettes weighing more than 2 kilograms per thousand. The record books for matches shall have on each page three columns, in the first of which shall be entered the number of gross of boxes containing each box 120 sticks or less, in the second column the number of gross of boxes containing each box more than 120 sticks, and in the third column the average number of sticks to each box when it exceeds 120.

ENTRY AND MEMORANDUM SLIP FOR ARTICLES REMOVED.

(d) Manufacturers shall enter on the "credit" pages the date of the removal of each lot of articles, and the name and address of the purchaser or person to whom consigned, and shall on the "debit" pages, enter a true description of the articles removed, the date of such removal, to the purchaser or carrier a memorandum which shall be entered in the record book. The entries made on the "debit" pages shall be made consecutively, beginning with "No. 1" for the first lot removed from each manufactory. Each memorandum slip shall be given the same number as is given to the purchaser, and all such memorandum slips shall be signed by the manufacturer, and shall be in charge of the articles removed from the manufactory.

STATEMENT OF TAXES.

(e) The provincial treasurers, in the discretion of each provincial treasurer, shall keep a record book in each manufactory and a liquidation book in each locality. The record book, removed for domestic sale or consumption, shall be entered in the record book by the other internal-revenue officer who strikes the stock of articles remaining on the manufactory to day make on loose sheets two copies of the pages of their record books, and at the time the two copies shall also be added up and signed by the other revenue officer who makes the two such copies and at once deliver, or transmit, of the proper province, together with the proper officer may make and certify to a liquidation of the treasurers or their authorized deputies are payment of taxes.

OF TAXES PAID.

shall on August 1, 1904, open a ledger account as above, in each locality. They shall debit the manufactory premises on August 1, 1904, as shown from time to time by the liquidation of all articles removed for export and from time to time by the liquidation of the payment of the taxes due and in the next preceding sub-per ledger account, record the manufacturer, send the statement received as taxes

and invoice books provided by sections 28 et seq. of the law, are issued, when further instructions will be given regarding the affixture and cancellation of internal-revenue stamps in payment of such taxes. Provincial treasurers and their deputies will in their ledger accounts give each manufacturer a temporary assessment number and will number the liquidation sheets consecutively for each manufacturer; and such assessment and liquidation sheet numbers shall be entered on both copies of the liquidation sheets when presented.

RECORD OF ARTICLES OUTSIDE OF THE FACTORY PREMISES.

(g) A separate record book shall be kept by each manufacturer who on August 1, 1904, has in his possession on any premises other than those of the manufactory any of the taxable articles aforesaid manufactured by him prior to the said date. Such record book shall be kept on the same premises where the articles are stored, and all entries therein, liquidation of accounts, transcripts therefrom, and payment of taxes for articles removed from such premises, shall be made as near as may be possible in conformity with the regulations prescribed in the preceding subdivisions of this paragraph for record books kept on the manufactory premises proper. But in no case shall the payment of taxes be required for articles which on August 1, 1904, had left both the possession and ownership of the manufacturers thereof.

MANUFACTURERS OF CIGARS, ETC., ON A SMALL SCALE.

(h) Persons who manufacture cigars or cigarettes in their homes for sale or delivery to others, and other persons who manufacture on a very small scale, shall be required to submit statements at frequent intervals as to the total of the articles manufactured and sold by them, or delivered by them to the larger manufacturers. Provincial treasurers may, in their discretion, waive the use of record books and liquidation sheets in the cases of such small manufacturers who, on account of their ignorance or of the unimportance of their business are unable to keep such record themselves or to employ some one else to keep it for them. But all such small manufacturers shall be given an assessment number, and a ledger account shall be opened in the name of each such manufacturer in which he shall be debited with all articles he declares, orally or in writing, to have manufactured, and he shall be credited with all articles he shall declare to have removed for domestic sale or consumption or to have delivered to the larger manufacturers. Whenever required, a declaration sheet in duplicate shall be signed and delivered by such small manufacturers to the provincial treasurer or his deputy, together with the taxes due, and the officer shall indorse his receipt thereon, make entry in the proper ledger account, return one copy of the declaration to the manufacturer, and send the other copy to the collector of internal revenue in the same manner as is provided in the previous subdivisions of this paragraph for the handling of the liquidation sheets presented by the larger manufacturers. Whenever a small manufacturer is delinquent in the payment of the taxes due, or whenever he deliberately conceals or fails to report any of the taxable articles manufactured, sold, or removed by him, the provincial treasurer or deputy treasurer shall require such small manufacturer to thereafter keep a record book and present, when required, the liquidation sheets provided for in the previous subdivisions of this paragraph.

DUTIES OF PROVINCIAL TREASURERS AND OTHER INTERNAL-REVENUE OFFICERS.

12. By the provisions of section 26 and other sections of the internal-revenue law the provincial treasurers and their deputies, and, in the city of Manila, the city assessor and collector and his deputies, are charged with the inspection, assessment, and collection of the various taxes. The assist in the enforcement of the law and to supervise and secure uniformity in its administration in all parts of the islands, internal-revenue agents, storekeepers and gaugers will be appointed and detailed from this office for special or general duty in localities where such assistance or supervision may be required.

BANKS, BANKERS, AND INSURANCE COMPANIES.

13. The taxes imposed on banks and bankers in section 111 of the law also become effective on August 1, 1904, but such taxes due for the five months ending December 31, 1904, will not be collectible until February 1, 1905. The taxes imposed on insurance companies in section 126 of the law also become effective on August 1, 1904, but such taxes due for the five months ending December 31, 1904, will not be collectible until April 1, 1905. Provincial treasurers will at once furnish copies of the law to all banks, bankers, and insurance companies and their branch establishments in the various towns, and call the attention of the president or manager of each such bank or insurance company as to the record which should be kept, and report which will be required of its business transactions.

EXISTING STAMP AND INDUSTRIAL TAXES.

14. The stamp taxes imposed by royal decree on May 16, 1886, and the taxes on business imposed by royal decree on June 19, 1890, known as the "industria" tax, and which have been continued in operation since the American occupation, will continue to be collected, under existing regulations, until December 31, 1904.

CIRCULAR TO BE DISTRIBUTED TO TAXPAYERS.

15. Copies of this circular, in English and Spanish, will be furnished provincial treasurers and internal-revenue agents, sufficient in number to supply all taxpayers. In referring to circulars issued by this office, internal-revenue officers should give the number of the circular, of the section, and of the page to which the remark or query applies.

JNO. S. HORD,
Collector of Internal Revenue.

Approved:

HENRY C. IDE,
Secretary of Finance and Justice.

EXHIBIT C.—Comparative figures showing output of tobacco and alcoholic products and matches in August, 1904, as compared with normal output per month from January to May, 1904, for the city of Manila.

	Distilled spirits.	Fermented liquors.	Cigars.	Cigarettes.	Manufactured tobacco.	Boxes matches (domestic).
	<i>Proof liters.</i>	<i>Gauge liters.</i>			<i>Kilos.</i>	<i>Gross.</i>
Stock, July 1, 1904.....	746,420	684,100	11,661,865	79,811,219	7,441	47,750
Stock, Aug. 1, 1904.....	171,387	670,000	8,718,689	11,841,013	1,933	None.
Sales, Aug., 1904.....	44,248	196,885	7,289,778	106,233,420	6,969	8,750
Average output per month from January to May, 1904.....	552,250	299,350	9,166,000	376,744,840	27,243	14,073
Percentage of normal output in Aug., 1904.....	8	66	80	28	25	62
In addition to the above there are manufactured annually for export about.....			50,000,000	25,000,000	50,000	

EXHIBIT D.—Recapitulation—Taxes collected in the city of Manila during the month of August, 1904.

Article.	August 1 to 10, tax collected.	August 11 to 20.		August 21 to 31.			Total taxes collected August 1 to 31.
		Tax collected.	Increase over first 10 days.	Tax collected.	Increase—		
					Over first 10 days.	Over second 10 days.	
			<i>Per cent.</i>		<i>Per cent.</i>	<i>Per cent.</i>	
Distilled spirits.....	₱3,555.00	₱3,117.30	a 12	₱4,217.00	19	35	₱10,890.00
Fermented liquors.....	2,895.64	2,331.88	a 20	4,237.52	46	81	9,465.04
Manufactured tobacco.....	459.93	535.59	16	1,402.15	205	162	2,397.67
Cigars.....	1,648.41	1,889.11	15	3,167.90	92	66	6,715.42
Cigarettes.....	9,389.38	20,017.78	113	44,007.74	369	120	73,414.90
Matches, domestic.....	400.00	1,333.33	233	1,766.67	342	32	3,500.00
Total.....	18,349.06	29,234.99	59	58,798.98	220	101	106,383.03

a Decrease.

EXHIBIT 10.

REPORT OF THE AUDITOR FOR THE PHILIPPINE ISLANDS FOR THE FISCAL YEAR ENDED JUNE 30, 1904.

THE GOVERNMENT OF THE PHILIPPINE ISLANDS,
OFFICE OF THE AUDITOR,
Manila, P. I., December 1, 1904.

SIRS: Pursuant to the provisions of rule 38 of Act No. 90 of the Philippine Commission, I have the honor to submit my annual report of the financial transactions of the government of the Philippine Islands for the fiscal year 1904, showing the receipts and disbursements of the several branches of the government, by departments, bureaus, offices, and provinces, together with such deductions from results obtained and suggestions as to future policy as seem to present themselves.

This report embodies all transactions of the said fiscal year which were included in accounts received to November 1, 1904, for the period ended June 30, 1904, and also settlements pertaining to prior fiscal years which were not included in previous annual reports.

Accounts covering transactions pertaining to the fiscal year 1904, but subsequent to June 30, and all suspended items in the accounts of said fiscal year will be considered in subsequent reports according to the fiscal year in which admitted but on account of the fiscal year to which the transaction pertained.

The organization of the office and the personnel of the executive staff at the close of the fiscal year were as follows: Auditor, A. Lawshe; deputy auditor, William W. Barre; chief clerk, W. H. Gibson; bookkeeping division, W. Y. Handy, chief; customs division, Gibson, chief; postal division, William A. Walsh, chief; military division, C. H. French, chief; provincial division, O. French, chief; property division, C. A. Smith, chief.

The authorized personnel at the close of the fiscal year were: auditor, a deputy auditor, three clerks of class 1, two clerks of class 4, two clerks of class 5, nine clerks of class 6, thirteen clerks of class 8, fourteen clerks of class 10, four clerks of Class A, two clerks of Class B, three clerks of Class D, three clerks of Class E, two clerks of Class G, two clerks of Class H, and five employees at \$180 per annum each, and five employees at \$120 per annum each.

To provide for contingencies and for the better service it has been the policy of the government to maintain a reserve fund of \$100,000.

each division to familiarize himself with the working detail of the division, in order that he could assume the duties of his chief in the event of resignation or permissible absence. During the fiscal year part of the executive staff availed themselves of their accrued leave to visit the United States. In their absence the work of the respective divisions has been carried on by such clerks with efficiency. Favorable mention should be made of Mr. Ora Miller and Mr. F. W. Thornton, acting chief and acting assistant chief, respectively, of the customs division, and Mr. J. H. Hauck, acting chief of the miscellaneous division. During the illness of the chief of the provincial division and several temporary absences on special work his duties were creditably assumed by Mr. H. W. Gangnuss.

The work of this bureau has been somewhat retarded by reason of the resignation of several of its most experienced examiners, while others of long service have availed themselves of their accrued leaves of absence to visit the United States. This has necessarily added to the work of the remaining employees and resulted in considerable overtime work during several months of the year. The acting auditor wishes to express his appreciation for their cheerful acceptance of the circumstances and efficient work thereunder.

Just before the close of the fiscal year the auditor, Mr. A. L. Lawrie, left for the United States to enjoy the benefits of a well-deserved vacation, and shortly after his arrival there was temporarily appointed a member of the Philippine exposition board at St. Louis, where he is now on duty.

AN ACTING DEPUTY AUDITOR.

Act No. 1064 was passed by the Commission on February 24, 1904, with the approval of the Secretary of War first had, amending Act No. 90, and providing that "the chief clerk shall be acting deputy auditor during the absence of the deputy auditor and when the deputy auditor, by virtue of his office, is performing the duties of the acting auditor. In the absence of both auditor and deputy auditor he shall take charge of the bureau as acting auditor. Under this provision of law, Mr. W. H. Clarke has efficiently performed the duties during such absences.

THE BOOKKEEPING DIVISION

regular duties of the bookkeeping division, as per the last report, this division during the year has several special accounts involving numerous public drafts sold on the gold-standard fund, government depositaries in New York, Washington, Mexico and Spanish Philippines treasury for revenue, and all new Philippine United States mints at Philadelphia, etc. The Commission, by Act 1088, on March 1st, 1904, that the auditor prepare the voluminous abstracts of his monthly account-current since opening the accounting system first of the change has been to greatly account without removing any of

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bills, all appropriations as
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it would be all but impossible
the positive check against the
em affords.

WARRANTS.

re, number, and amount of each
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of settlement in which accountable
ayees, so that any failure to account
as issued may be duly reported to
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whom advances were made as will be

the safeguards properly pertaining to the accountability of the treasurer. The combined balance of all funds in the hands of the insular treasurer on June 30, 1904, was ₱52,842,238.50 Philippines currency value.

During the fiscal year just closed there were 1,690 separate settlements declared on which warrants were issued, and 1,673 accountable warrants were issued during the same period. There were 9,176 receipts issued by the treasurer during the year, which were double entried and checked against the invoices accompanying the deposits, after which they were presented to the auditor for counter signature. There were 2,430 certificates of settlements received in this division and these were double entried, the first entries being in the personal accounts and the others in the statistical accounts. On the ledgers for fiscal year 1904 accounts are being carried with 210 collecting officers and 320 disbursing officers, some of whom are acting in more than one capacity, making the total number of collection accounts 247 and the total number of disbursing accounts 426. There are also 93 open accounts with provincial treasurers in their capacities of collecting and disbursing officers.

The more comprehensive double-entry system of bookkeeping introduced in the bureau of auditing at the beginning of the fiscal year affords a better analysis of all accounts settled and a greater security for correctness of compilations. This system makes necessary the consideration of all the factors entering into every phase of the accounting, as also the effect of each upon the general result. The set of books provided for this work consists of a journal and general account ledger and such individual ledgers and records as correspond respectively to the various general ledger accounts. The individual ledgers are distributed among several clerks, who must present the balance shown by their individual ledgers, which in turn must agree with the aggregate balance shown by the several general accounts, the likelihood of counterbalancing errors being thus eliminated. The ledgers and records referred to as now in use are as follows:

LEDGERS OF PERSONAL ACCOUNTS OF ALL COLLECTING AND DISBURSING OFFICERS.

In which are posted the complete data from all certificates of settlement furnished by the auditor, separate accounts being kept with each officer throughout the islands handling insular funds in each official capacity in which he may serve.

SETTLEMENT WARRANT LEDGERS.

In which are recorded all settlements of accounts payable as claims, proper ledger entries being made to preserve a complete record of each settlement. Both the personal and settlement warrant ledgers, however, are considered as ledgers of personal accounts, they being merely elaborations of the general ledger, differing only in that the personal ledgers embrace all transactions entering into the individual accounts of collectors and disbursing officers as settled, while the warrant ledgers carry all direct payments made by settlement warrants issued, whether chargeable to personal accounts for balances due collectors and disbursing officers, to expense account for amounts due individuals and firms having no responsibility to

the government, or to the general accounts concerned in payments from special appropriations, as loans to provinces, payments of revenues ceded or refunded to provinces, return of deposits for export duties refundable, revenues refunded on account of excess collections under conditions prescribed by the Commission, invalid money orders, etc.

TRANSFER LEDGERS.

In which are recorded all transfers of funds between officers when certified in their accounts as settled by the auditor, the amounts credited to transferors being charged to transfer account and amount charged to transferees being credited to transfer account.

POSTAL LEDGERS.

In which accounts are kept with all postmasters throughout the islands in the dual capacity of collectors and disbursing officers. Except in the case of deficiencies in the postal revenues, funds for disbursement are not advanced to postmasters upon duly approved requisitions, as is required with the other classes of accounts, they being authorized by law to pay the expenses of their respective offices, under authority of the director of posts, from revenues coming into their hands. When quarterly settlements of postmasters' accounts are declared by the auditor, however, the total revenues and expenditures are treated by the so-called warrant and counter-warrant process, which is a method of simultaneous deposit and withdrawal of the funds in order that the treasury account may properly record the transactions for credit of postal revenues and that a distribution of the expense may be made under the appropriations chargeable therewith.

APPROPRIATION LEDGERS.

In which are recorded to the credit of each department and bureau, by subheadings and in the order observed by the Philippine Commission in the enactment of appropriation bills, all appropriations as made, charges for withdrawals of funds by accountable and settlement warrants issued, and credits for unexpended balances returned to the treasury. So numerous and varied are the adjustments entering into the account of appropriations that it would be all but impossible to correctly keep this account without the positive check against the balances which the double-entry system affords.

REGISTERS OF WARRANTS.

In which are recorded the date, number, and amount of each accountable and settlement warrant issued, as also the date and number covering each certificate of settlement in which accountable warrants have been charged to payees, so that any failure to account for or properly charge warrants as issued may be duly reported to the auditing division concerned, and such accounting be demanded forthwith from the officers to whom advances were made as will be consistent in all respects.

In the second annual report of the secretary of finance and justice for the period ending September 1, 1903, it was stated:

"It was considered highly undesirable that the steam cranes and derricks for unloading goods upon the customs wharves and the tramways should belong to private individuals and be operated by them. It was particularly objectionable at Manila, in view of the fact that the owners of the arrastre plant were likewise the largest owners of cascos, lorchas, and lighters for bringing the goods to the customs wharves from the steamers, and the charge was often made, justly or unjustly, that importers who did not employ the owners of the arrastre plant to do their lightering were discriminated against so that their goods were delayed in landing and their demurrage expenses were made much larger. Under the provisions of act No. 897 the government undertakes to perform the arrastre operations at actual cost, so that importers are furnished the best of facilities and all extortionate charges or discrimination are rendered impossible."

This arrastre system, by which a private contractor possessing a monopoly handled the imported merchandise within the custom-house, was found in existence at the American occupation, and was allowed by tacit consent, but without official sanction, to continue as a temporary solution of a difficult problem. The several collectors of customs called attention to the situation and the bad conditions existing, suggesting various remedies.

PREVIOUS HISTORY.

Previous to 1886 each individual importer of Manila received his merchandise at the ship's side in the bay in his own casco or lighter, and got it ashore and through the custom-house with his own labor as best he could. As importations increased, this system, or rather lack of system, was found more and more impracticable and expensive. In November, 1886, the importers got together on the matter and with consent of the Spanish Government entered into a contract with Ramon Montanez to discharge all vessels from foreign ports, to lighter the merchandise ashore to the custom-house, and to land and warehouse the goods. When delivery was desired the importer would bring his own or hired laborers into the warehouses and take out his goods—an especially obnoxious feature from a custom-house standpoint and considering that many other importers had merchandise in the same warehouse. Montanez placed three steam cranes on the wharf and installed the tramway with its steam locomotives and cars for conveying the merchandise from the wharf on the river front to the custom warehouses. Montanez later sold the plant and contract to Santiago Dominguez & Co., who operated it until after the American occupation, when it was sold to D. M. Carman & Co., December 5, 1898. This firm soon after entered into two new contracts with the importers, surrendering the old, (1) to lighter the foreign merchandise from the ships to the custom-house wharf, and (2) to do the arrastre work proper of conveying the merchandise from the wharf to and storing it in the warehouses. They improved the arrastre plant, added another steam crane in 1901, built additional tracks to the new warehouses constructed in 1901, and added new cars.

PURCHASE BY CUSTOM-HOUSE.

In 1902 the question of governmental operation of the arrastre plant was taken up with more earnestness by the insular collector of customs, and some preliminary negotiations were had with Carman & Co. looking to the purchase of the system. The matter was laid before the Philippine Commission, which on January 28, 1903, passed a resolution authorizing the secretary of finance and justice and the collector of customs to negotiate for the purchase of the plant and to operate it, and on March 7, 1903, a further resolution authorizing the collector of customs to so purchase it.

After an appraisal of the property, consisting of steam cranes, locomotives, cars, railroad tracks, and other machinery and appliances, the purchase was consummated by the Philippine Commission in Act No. 897, passed September 23, 1903, which appropriated P29,000 for the purpose, and also P10,000 additional for placing the system in operation. The receipts for the service were made a permanent appropriation to pay its expenses, the intention being to make the charge merely sufficient to cover the cost of operation. The collector of customs was authorized by the same act to operate, maintain, and administer the arrastre system, and to fix and collect charges for the service. In accordance therewith regulations for the organization, government, and operation of the arrastre service were issued. In the main the personnel employed by the former owners was retained, but reorganized and placed under custom-house administration. An office and clerical force were established and provisions made for collecting a charge for all the merchandise handled in the custom-house.

On October 16, 1903, the custom-house assumed control of the arrastre. In the absence of data and experience upon which to fix the rate for the charge, other than that furnished by the former owners, the same rate as charged by them was continued as a tentative

measure, ₱1.50 per ton. The charge of 50 centavos per ton on all merchandise permitted to take delivery in bulk without discharging on the custom-house wharf, known as "pasé delivery," was immediately discontinued, saving to the importers about ₱37,000 a year.

In a month's time it was found that the handling of the merchandise stored upon and delivered from the wharf, instead of the warehouses, could be done at less cost, and the rate for wharf delivery was lowered to ₱1 per ton, effecting a saving of about ₱8,300 a year to the importers. They have been encouraged to take wharf deliveries as not only a saving of expense but a saving of time, and every facility possible has been given them which would effect an economy and do away with bad conditions which had hampered the incoming commerce of Manila. The great majority of importers have appreciated, and cooperated with, these betterments of service, and have been led to institute better business methods of their own, effecting further savings which can not well be estimated, but which do exist.

ADDITIONAL SERVICE GIVEN.

Although the arrastre rate was retained at ₱1.50 per ton, much additional service was at once given for the one charge. Previous to the assumption of the arrastre by the custom-house the service consisted of the conveyance of the merchandise from the custom-house wharf to the warehouses and the storing therein. It ended at that point. The merchandise had been stored more or less indiscriminately, neither a ship's cargo nor individual consignments being kept together, but scattered through two, three, or more warehouses. When delivery was desired, the consignee would go into a warehouse with his cooly laborers, and after vexatious search and much work of piling and repiling boxes would get his goods together, carry them out of the warehouse, and put them on his carts. The consignee was also required to carry the samples selected for examination and appraisal from the warehouses to the appraiser's stores, and also to furnish the laborers for the opening of cases and the unpacking and repacking of the contents. All this work was taken over by the new arrastre division of the custom-house, the service to be included in the charge of ₱1.50 per ton. The storing of merchandise was at once systematized by each ship's cargo being kept together in a warehouse and by each individual consignment being piled together. This did away with one of the bad conditions that existed at the port of Manila, of sorting cargoes on board incoming steamers, delaying their departure and causing great demurrage. When delivery is desired, the arrastre laborers now take the merchandise out of the warehouse, delivering it to the consignee's carts. Arrastre laborers also carry the sample cases to the appraiser's stores and perform all labor required therein, consisting of the handling of the cases for examination and appraisal, the unpacking and repacking, and delivery outside the stores to the consignee. Not only has this reform kept all coolies (except customs employees) and other unauthorized persons out of the warehouses and appraiser's stores, but it has effected another considerable saving to importers estimated at about ₱41,000 a year.

NO DELAY AT WHARF.

By improvements to the plant, adding new facilities and changing methods, a quicker handling of the merchandise has been secured, by reason of which lighters are now discharged one-third or more quicker at the wharf. This enables the lighters to return to the bay for further cargo, and a consequent faster discharge of the incoming steamships, whereby they are enabled to save demurrage. It has done away with the former complaint that there were not enough closed lighters to do the business of the port. It has aided materially in correcting the evils which surrounded shipping and commerce coming to Manila.

Loaded lighters are discharged at the wharf in the order in which they arrive. Thus there is absolutely no discrimination in discharging. Perishable articles, like vegetables, etc., are given a preference, but otherwise without interfering with the order of discharge.

IMPROVEMENTS IN WAREHOUSING.

When the arrastre plant was acquired the merchandise was conveyed into the warehouses from the wharf by running the loaded tramway flat cars into each warehouse on a single track. As the empty cars had to be taken out through the same doorway, which also served as the egress of the coolies taking out merchandise for delivery, much difficulty and confusion was experienced, frequent blockades being caused, which delayed the work of the whole service, being felt on the wharf as well. This bad condition has been remedied by taking up the tracks into the warehouses, replacing them with broad runways, constructing receiving platforms outside next to the main track on the one side and delivery platforms at other doors on the other side and handling the cases of merchandise by hand trucks. The blockades have been prevented and much confusion done away with. Fewer laborers are required—a considerable saving of expense. The better facilities have

lessened the liability of breakage from rough handling. It is a big improvement over old methods. By the changes mentioned the old warehouses have been made as much as possible like the new warehouse "P" under the new wing of the customs building. With its unimpeded wooden floor, plenty of doors, wooden platform outside, of a height of the carts, the handling of the merchandise has been vastly facilitated and the time reduced one-half or more, especially by use of the warehouse trucks introduced by the arrastre division. Quickness of delivery has been the object sought. No complaints are now made of inability to obtain merchandise out of the custom-house as soon as the consignee wants it. On the contrary, complaints have been made that delivery is ready before the consignee is.

SAMPLE PACKAGES.

The sample packages for appraiser's examination were until lately not taken to the appraiser's stores until requested by the consignee, who brought the permit for the samples with him from the appraiser's office. This has been changed by the permits being sent without intervention of the consignee and by the samples being transferred to the stores by the arrastre force without delay. This work has been so systematized that a saving has been effected not only in arrastre labor, but the good effects are felt in the work of appraisal. It has also resulted in a saving to the importers, who need fewer representatives—a saving not readily ascertainable, but a fact.

UNINTENTIONAL PROFITS.

Notwithstanding these enlargements of the service performed by the arrastre system, the expense was kept down by more systematic and better methods, so that in time it was found that the charge of ₱1.50 per ton yielded a considerable profit, even after many improvements had been made to the plant. It was not the intention of the government and the insular collector of customs to conduct the arrastre service for the purpose of making a profit and thus create a revenue, but to do the work for cost and thus make the service as inexpensive as possible to the importer. But a surplus being unintentionally created, the general fund of the Philippine government was reimbursed on June 27 last by ₱22,368.39 being paid back out of the arrastre profits as a partial refund of the ₱36,368.39 expended out of the appropriation by the Commission for the purchase and operation of the plant. Another refund of ₱5,000 was made August 3 and the remainder, ₱9,000, was paid back September 8.

Thus the entire cost of the arrastre plant to the government has been paid back (without expectation) out of its earnings, notwithstanding the greatly increased service and the reduction of the rate, in less than one year from the date of the appropriation for its purchase and less than eleven months from the actual assumption of the service by the custom-house.

The charge of ₱1.50 per ton having yielded net profits larger than expected, on July 1, 1904, the arrastre rate was reduced by 16 per cent—from ₱1.50 per ton to ₱1.25 for warehouse deliveries, and from ₱1 to ₱0.90 per ton for wharf deliveries. This reduction will save the importers of Manila over ₱22,300 a year.

EXPENSE SAVED TO IMPORTERS.

Altogether, therefore, the taking over and operation of the arrastre service by the custom-house has saved to the importers of Manila over ₱108,600 a year of the expense to which they were formerly subjected, as follows:

Pasé deliveries.....	₱ 37, 000
Wharf deliveries.....	8, 300
Warehouse deliveries and handling of sample packages.....	41, 000
Reduction of rate to ₱1.25 and 90 centavos.....	22, 300
Total.....	108, 600

The importers have also saved some other expenditures, especially demurrage on lighters, which can not well be computed, and it is believed have been given a greatly improved and more expeditious service and freer from liability to breakage than they ever enjoyed before.

Moreover the saving of demurrage to steamships coming to Manila has been very considerable. It is not only a saving to the shipping of Manila in actual money, but it is a reform that wipes out an evil which contributed much in former years to giving a bad name to this port and to hampering the commerce of the Philippine Islands.

IMPROVEMENTS TO PLANT.

The plant of the arrastre system has been much improved. The locomotive in use on the tramway, a French engine of old style, being unable to haul the traffic, a new American

locomotive of latest design and double the capacity has been purchased. It has the distinction of being the first American locomotive to be introduced into the Philippine Islands. The light rails of the main line of the tramway have been replaced with heavy steel rails. New tracks and switches have been laid, increasing the trackage 50 per cent and vastly improving the facilities. A firm roadbed paved with cobblestone has been constructed. Board runways with receiving and delivery platforms have been built in five warehouses and a sixth is now being likewise improved. A track has been constructed through the appraiser's stores for the conveyance of samples direct from the warehouses. The warehouses have all been supplied with hand trucks, which the Filipino laborers handle quite well, contrary to the expectation of many. The steam cranes and other machinery have all been repaired and put in good condition. About half the customs wharf has been repaved by the arrastre division, and quite a number of minor improvements have been made to facilitate the work. Altogether ₱13,784.42 has been expended on additions and improvements to the plant in materials, besides considerable labor.

FIRE AND POLICE PROTECTION.

The arrastre division maintains and has charge of a system of fire protection of the custom-house grounds, consisting of a reel and fire hose and barrels and buckets. It also provides four policemen and watchmen in the warehouses by day and one on the wharf at night, in addition to the regular custom-house watchmen. The division also cleans the customs wharf and grounds once or twice each day.

OFFICE AND PERSONNEL.

The entire finances of the arrastre are conducted by its own office, the collections for the charges being made by its receiving teller and deposited with the insular treasurer in separate account. The expenditures are made by its disbursing officer under the usual regulations. A complete system of accounts is kept in its office.

The personnel has given excellent service. In the office the chief clerk and two clerks are Americans and the receiving teller, bookkeeper, and three clerks are Filipinos. In the wharf and warehouse force the wharfinger (who has general charge) is an American. The first assistant wharfinger, the warehouseman, and first assistant warehouseman are Spaniards (now Philippine citizens); the second assistant warehouseman a Chinese, and three other assistants Filipinos—all these being old employees of the arrastre retained by the custom-house. The engineers of locomotives and steam cranes, the superintendent of the tramway railroad, the conductors, firemen, machinists, and watchmen are Filipinos, as are also the 12 wharf and warehousemen foremen and the 12 openers and packers. Both Chinese and Filipino carpenters are employed. The laborers are all Filipinos—mostly Pampangas, Visayans, and Ilocanos, only a very few Tagalogs. About one-fourth are steady workers. Another fourth, or a little more, work about three to four days a week. The others come and go, working one to two or three day a week. There has never been any difficulty in obtaining all laborers needed. They do good work if plentifully superintended, but not otherwise. They are paid 90 centavos Philippine currency per day of eight hours, and at the same rate for overtime, and are paid weekly. The average number employed is 125 to 150.

The skilled and semiskilled employees are paid monthly and number 65 to 70. The native assistant superintendents are paid salaries of from ₱42 to ₱50, the locomotive engineers from ₱42 to ₱50, the crane engineers ₱34, firemen ₱20, machinists ₱25 to ₱50, carpenters ₱40 to ₱50, wharf and warehouse foremen ₱30, and openers and packers ₱30.

The whole force of skilled and semiskilled employees and laborers have done good work, being well and liberally superintended.

FINANCIAL STATEMENT.

The following shows the amount of merchandise handled by the arrastre plant from October 16, 1903, to June 30, 1904:

	Tons.
Merchandise delivered from wharf.....	11,511.66
Merchandise delivered from warehouses.....	57,248.44
Total tonnage of merchandise landed at custom-house.....	68,760.10
Merchandise given passé delivery.....	51,579.82

Statement of the finances of the arrastre from October 16, 1903, to August 31, 1904.

DEBITS.

Gross cash receipts.....	₱ 139,489.34
Refunded for pasé and wharf deliveries.....	23,925.60
Arrastre collections, net.....	115,563.74
Appropriation, Act No. 897.....	7,368.39
Exchange of currency and miscellaneous sources.....	91.14
Total debits.....	123,023.27

CREDITS.

Reimbursement to general fund, government of Philippine Islands.....	₱ 27,368.39
Expense:	
Labor.....	₱ 24,824.93
Salaries.....	35,562.75
Supplies.....	7,392.78
Improvements to plant.....	13,784.42
Overtime, customs employees.....	1,743.36
Total expenditures.....	83,308.24
Treasurer's balance, August 31, 1904.....	₱ 8,013.36
Disbursing officer's balance, August 31, 1904.....	3,743.65
Cash balance, August 31, 1904.....	589.63
Total balances.....	12,346.64
Total credits.....	123,023.27

The ₱ 29,000 appropriated and expended for the purchase of the plant is not included in the above statement. As stated above, since September 1, 1904, ₱ 9,000 additional has been reimbursed to the general fund of the government, making the total refunded ₱ 36,368.39, all that was expended out of the appropriation for the arrastre.

The greatest satisfaction of the operation of the arrastre plant by the custom-house is not so much in the favorable financial exhibit as it is in the belief that great relief has been given to the importers and that a bad condition hampering the port of Manila and choking its commerce has been destroyed.

Respectfully,

CLIFFORD D. HAM,
Deputy Surveyor of Customs, in Charge of Arrastre.

The COLLECTOR OF CUSTOMS FOR THE PHILIPPINE ISLANDS.
(Through office of insular surveyor.)

EXHIBIT 8.

ANNUAL REPORT OF THE ACTING COLLECTOR OF INTERNAL REVENUE.

OFFICE OF ACTING COLLECTOR OF INTERNAL REVENUE,
Manila, P. I., October 1, 1904.

The honorable the SECRETARY OF FINANCE AND JUSTICE,
Manila, P. I.

SIR: As the acting collector of internal revenue to date of August 1, 1904, I have the honor to submit herewith my report covering the period from September 1, 1903, to which date the last annual report was brought, to August 1, 1904, when "the internal-revenue law of 1904" went into effect and a complete reorganization of the bureau inaugurated.

As is well known to you, sir, the jurisdiction of the collector of internal revenue was limited to the unorganized provinces. Little by little the field became narrowed down to a part of the island of Mindanao and to the Jolo Archipelago, and not long after the closing of the last annual report all this territory was swept from under our control by the inauguration of the Moro government.

Exhibit A, hereto attached and made a part of this report, shows the internal-revenue collections from September 1, 1903, to date of transfer to the new government above referred to.

The undersigned, as acting collector of internal revenue, continued until August 1, 1904, to collect the fees for the forestry bureau on forestry products coming to and assessed in the city of Manila. Said collections are covered by Exhibit B, hereto attached.

The distribution of revenue stamps to the provincial treasurers, through the insular treasurer, was also continued up to August 1. Exhibit C, attached hereto, shows such distribution and also shows the account balanced by transfer of stock to the city assessor and collector. Such stamps are now handled and distributed by the said city assessor and collector of the city of Manila, in accordance with the provisions of Act No. 527.

Exhibit D, attached hereto, is a complete return of the accountable and expendable property on hand belonging to the internal-revenue bureau, the disposition of which the undersigned awaits your instructions.

Respectfully submitted.

A. W. HASTINGS,
Acting Collector Internal Revenue, Philippine Islands.

EXHIBIT A.—*Statement of collections by subcollectors of internal revenue during the months of September and October, 1903, as shown by reports on file in the office of the acting collector of internal revenue for the Philippine Islands.*

Internal revenue.	Cottabato.		Davao.		Jolo.		Grand total.	
	Philippine currency.	Local currency.	Philippine currency.	Local currency.	Philippine currency.	Local currency.	Philippine currency.	Local currency.
Industrial tax.....		\$17.75	P211.20	\$370.17			P211.20	\$387.92
Stamp sales.....		11.67		10.19				21.86
Certificates of registration.....		7.60		5.60		\$5.80		19.00
Forestry.....		143.74	1,186.30	259.91		1.63	1,186.30	405.28
Total.....		180.76	1,397.50	645.87		7.43	1,397.50	834.06

EXHIBIT B.—*Statement of taxes collected on forestry products cut from the several provinces, for the period from September 1, 1903, to July 31, 1904, by A. W. Hastings, as acting collector of internal revenue for the Philippine Islands.*

Province in which cut.	Philippine currency.	Local currency.	Province in which cut.	Philippine currency.	Local currency.
Albay.....	P1.55	\$328.46	Mati.....		\$640.37
Batjan.....	3,930.30	2,863.89	Mindanao.....	P2,108.98	1.25
Batangas.....		63.62	Marinduque.....	114.25	8.50
Basilan.....	654.04		Moro.....	2,027.17	
Bulacan.....	328.04	177.70	Nueva Ecija.....	63.32	110.20
Cavite.....	39.53	25.14	Pampanga.....	282.08	1,026.61
Camarines.....	19,646.32	1,214.82	Pangasinan.....	6.07	4.95
Cagayan.....	3,318.77	811.26	Paragua.....	2,822.19	4,038.29
Cottabato.....	3.20	95.88	Rizal.....	260.39	404.44
Capiz.....	240.54	305.91	Romblon.....	358.83	400.18
Davao.....	230.82	1,483.60	Sorsogon.....	44.92	4.51
Ilocos Sur.....	16.66		Samar.....	678.00	136.03
Ilocos Norte.....	5.05		Surigao.....	2.70	
Isabela.....	1,455.94		Tayabas.....	42,760.42	20,325.22
Iloilo.....	2.21	5.41	Tarlac.....	304.05	251.07
Laguna.....	12.21	12.03	Zambales.....	14,936.18	3,355.04
Leyte.....	326.04	6.71	Zamboanga.....	2,554.91	3,623.41
Mamila.....	11.70	6.03			
Masbate.....	16,124.61	5,487.37	Total.....	130,199.39	48,651.37
Mindoro.....	14,527.37	1,403.47			

Attest:

A. W. HASTINGS,
Acting Collector of Internal Revenue.

EXHIBIT C.—*Statement of stamp account of A. W. Hastings, acting collector of internal revenue, for the period from September 1, 1903, to July 30, 1904.*

Dr.	
Stamps on hand September 1, 1903.....	\$759,554.15
Received from printer.....	\$143,200.00
Received from insular treasurer.....	135,669.25
Received from city assessor and collector.....	1,842.00
Received from treasurer, Zamboanga.....	11.70
Surplus taken up by order of auditor.....	1,236.10
	281,959.05
Total stamps received.....	1,041,513.20
Cr.	
Issued to city assessor and collector.....	\$151,670.65
Issued to insular treasurer.....	75,727.00
Transferred to city assessor and collector.....	814,115.55
	1,041,513.20
Total disposed of.....	1,041,513.20

Attest:

A. W. HASTINGS,
Acting Collector Internal Revenue, Philippine Islands.

EXHIBIT D.—*Statement of property for which A. W. Hastings, as acting collector of internal revenue for the Philippine Islands, is accountable.*

NONEXPENDABLE.

2 copies acts of the Philippine Commission
(quarterly pamphlet).
3 copies Annotated Laws, Philippine Com-
mission.
1 copy Amendments and Index.
4 baskets, desk.
4 clips, board.
18 clips, spring.
5 erasers, steel.
7 inkstands, double.
8 inkstands, single.
1 copy Opinions of Attorney-General.
27 electrotype plates for printing internal-
revenue stamps.
2 pads, desk.
2 penracks.
4 rulers.
2 seals, bureau of internal revenue.

EXPENDABLE.

4 books, stenographer's note.
8 books, patente.
5 books, index.
20 erasers, ink and pencil.
4 industrial tax registers.
3 bottles ink, red.
8 bottles ink, black.
5 bottles ink, copying.
2 bottles ink, stamp pad.
8 bottles oil, typewriter.
300 sheets paper, carbon.
6 bottles paste, Library.
12 penholders.
16 cones pins, desk.
3 ribbons, typewriter.
22 stamps, rubber.
8 stamp pads.
300 sheets strawboard for mailing stamps.

Attest:

MANILA, P. I., August 1, 1904.

A. W. HASTINGS,
Acting Collector Internal Revenue.

EXHIBIT 9.

ANNUAL REPORT OF THE COLLECTOR OF INTERNAL REVENUE.

BUREAU OF INTERNAL REVENUE
OF THE PHILIPPINE ISLANDS,
OFFICE OF THE COLLECTOR,
Manila, P. I., September 19, 1904.

The honorable HENRY C. IDE,
Secretary of Finance and Justice, Manila, P. I.

SIR: In accordance with the provisions of section 4 of the "internal-revenue law of 1904," and complying with your request of the 6th instant, I have the honor to submit herewith, for transmission to the Philippine Commission, my first annual report of the proceedings in the bureau of internal revenue, including a statement of certain collections and disbursements therein.

The data submitted herewith are necessarily quite incomplete, for the following reasons: First, only a portion of the taxes imposed in the internal-revenue law are now being collected, as by the provisions of that law the taxes imposed on certain persons, objects, and occupations do not become operative until January 1, 1905; second, this bureau has been in existence less than two months, and it has not been possible in so short a period to properly organize the work in the provinces; and third, the time available for the preparation of this report was so brief as to make it impossible to secure complete statistical reports from the provincial treasurers. No exhaustive review of the situation can, therefore, be attempted at this time. The statistics submitted herewith in the accompanying exhibits are for the city of Manila, and for the month of August, 1904, and may be taken as fairly accurate and complete. The only change which the final figures will make in the various statistics will be in the way of increasing the number of registered taxpayers and amount of taxes paid. When complete reports have been received from the provinces the figures of tax collections herein given will be increased very materially.

TAXES NOW BEING COLLECTED.

Act No. 1189 of the Philippine Commission, "the internal revenue law of 1904," enacted July 2, 1904, imposed the following taxes, effective on August 1, 1904: On each proof liter of distilled spirits, containing amyl alcohol or other poisonous substances, removed for use exclusively for industrial purposes and not as beverages, 10 centavos; on each proof liter of distilled and rectified spirits, 20 centavos; on each proof liter of manufactured liquors, 30 centavos;

on each gauge liter of fermented liquors, 4 centavos; on each kilogram of snuff or snuff flour, 32 centavos; on each kilogram of manufactured (smoking or chewing) tobacco, 48 centavos; on each 1,000 cigars, ₱2 when the manufacturer's wholesale price does not exceed 20 pesos per thousand, ₱4 when the price exceeds 20 but does not exceed 50 pesos per thousand, and ₱6 when the price exceeds 50 pesos per thousand; on each 1,000 cigarettes, 67 centavos when the weight per thousand cigarettes does not exceed 2 kilograms, and ₱2 when the weight exceeds 2 kilograms; on each gross of boxes of matches containing not to exceed 120 sticks to the box, 40 centavos, and a proportionate additional tax on each gross of boxes containing over 120 sticks to the box. The taxes on these articles accrue not at the time of their manufacture, but at the time of their removal from the manufactory for domestic sale or consumption. All of these articles manufactured for export are exempted from the payment of these taxes. The only articles of foreign manufacture made subject to the payment of these taxes are matches, on which a tax is levied at the same rate as is levied on the domestic product, and is collected at the custom-house of the port of entry.

In the original figures submitted to the Philippine Commission it was estimated that between ₱8,000,000 and ₱9,000,000 would be collected in a normal year as taxes on the articles enumerated above. The reductions made in the proposed rates before the bill was finally passed reduced this estimate to an amount between ₱6,500,000 and ₱7,500,000, or just about the amount which was collected annually during the last years of the Spanish regime from the one tax known as the *cedula personal*, or poll tax. The *cedula personal* was a direct tax of obligatory payment which none could escape, as it was a tax paid mainly for the privilege of living in these islands, and incidentally for the privilege of owning property. The poll tax imposed in the internal-revenue law will yield but the merest fraction of what was formerly collected on *cedulas personales*.

The taxes imposed on the cigars and other articles enumerated above are indirect taxes and of optional payment, each consumer suiting his own convenience as to the time and measuring his ability as to the amount of his payments. These are taxes which are paid not for the privilege of living here but for the privilege of consuming the cigars and other cheap but good things that these islands afford. Even with the taxes added, the consumer in these islands of cigars, cigarettes, or spirits can still get three or four times as much for his money as can the less fortunately situated resident of the United States or Europe. Careful inquiry made by this office has not demonstrated that the residents of these islands, native or foreign, have failed or are failing to grasp their opportunity, nor that the popular taste for cigarettes and vino has, since August 1, become sated to any appreciable extent.

PRELIMINARY WORK.

It is provided in section 152 of the internal-revenue law:

Until the collector of internal revenue shall have the proper books, stamps, and forms ready for distribution the methods provided for the administration of this act shall not be required, and he is empowered to make such temporary regulations and arrangements for the collection of the taxes imposed by this act as will not unduly embarrass or interrupt the business of the persons affected thereby.

In accordance with these provisions of law, and to carry into effect the announced policy of the government, i. e., that the law should be administered in a liberal spirit, "Circular No. 1, to all internal-revenue officers," was issued from this bureau before the 1st of August and was distributed to every part of the islands (copy of this circular is made a part of this report, marked "Exhibit A"). This circular was printed in English and Spanish and was published in the Official Gazette and in most of the local periodicals. A copy was also delivered to every registered manufacturer of the articles subject to the taxes. Tables and rules for gauging spirits have also been issued (copy inclosed, marked "Exhibit B.")^a

During the months of July and August a preliminary assessment was made in the city of Manila and in the provinces of the various manufactures, with the following result:

Taxpayers.	In Manila.			In the provinces.		
	Number.	Total anticipated output for year ending June 30, 1905.		Number.	Total anticipated output for year ending June 30, 1905.	
		Unit.	Quantity.		Unit.	Quantity.
Distillers.....	7	Proof liters...	6,627,000	490	Proof liters...	15,000,000
Breweries.....	1	Gross liters...	3,592,200			None.
Manufactured tobacco..	23	Kilos.....	326,916			(?)
Cigars.....	66	Number.....	116,059,302	181	Number.....	12,179,500
Cigarettes.....	48	do.....	4,520,938,085	257	do.....	186,467,697
Matches, domestic.....	1	Gross boxes..	387,700			None.
Total.....	146			928		

SUMMARY.

Taxpayers.	Number.	Total output for year ending June 30, 1905.	
		Unit.	Quantity.
Distillers.....	497	Proof liters...	21,627,000
Breweries.....	1	Gross liters...	3,592,200
Manufactured tobacco..	23	Kilos.....	326,916
Cigars.....	247	Number.....	128,238,802
Cigarettes.....	305	do.....	4,707,405,782
Matches, domestic.....	1	Gross boxes..	387,700
Total.....	1,074		

These figures are compiled from the declarations made by the manufacturers themselves, are based largely on the actual output for the year ending June 30, 1904, and are believed to be quite conservative.

During the twenty-nine days grace allowed, between the time these taxes were imposed and the time they became operative, July 2 to August 1, 1904, many of the manufactories in the provinces, and practically all of those in Manila, ran overtime and vastly increased their normal output. In fact, the increase in the output of cigars, cigarettes, spirits, and matches began during the month of June, when it was foreseen that the internal-revenue law would be passed, and when it was generally believed it would become operative on the 1st day of July.

Therefore, when the taxes became effective, on August 1, 1904, the market was overstocked with tobacco and alcohol products and

^a Not printed.

matches on which the taxes had not been paid and could not then be collected, inasmuch as these taxes accrue at the time of the removal of the articles from the place of their manufacture. These cigars, cigarettes, spirits, and matches were purchased by merchants and middlemen, in amounts far in excess of the normal needs of trade, for the purposes of speculation. Consumers of these articles paid during the month of August to these speculators the normal price of the articles, prior to the imposition of the taxes, plus the amount of the tax which had been paid neither by the manufacturer nor the merchant. It can, therefore, be readily seen that the profits derived from their business by the dealers in tobacco and alcohol products increased very materially during the month of August, and that these abnormal profits will continue to be collected from the actual consumers until the stocks removed before the 1st of August are entirely exhausted. It is, of course, not to be expected that as long as the dealers can continue to sell their wares at heretofore undreamed-of profits they will voluntarily resume their purchases of tax-paid articles from the manufacturers. Of course, the consumer is led to believe that the increase in price of his smoke and his drink is due to the internal-revenue tax, and the fact that there has been no serious diminution in the consumption of such articles would seem to indicate that the consuming public in these islands is able and willing to pay the amount of the taxes imposed, even though such amounts, instead of reverting to the insular treasury as taxes, are kept by the dealers as added profits.

Nor can it be doubted for a moment that the immediate effect of this law has been to temporarily increase the profits of the manufacturing industries affected by the taxes imposed. Most, probably all, of these manufactories did a thriving business during the months of June and July, and many of them, especially the distillers, were found on the 1st of August to have scarcely any stock whatever on hand. This is probably an unprecedented condition of affairs in the manufacturing annals of these islands. These manufacturers, therefore, sold during the months of June and July all of their old or normal stock, all of their normal output, and all of their forced output during those two months. Yet, according to some of the local periodicals, they now express surprise and disappointment because their sales during the month of August are not up to the normal level. It is very much like the youth who believed he could both eat his cake and have it.

The opposition to this law, so general at the start, appears now to have simmered down to the question of distilled spirits. It is claimed that this industry is irrevocably ruined. The manager of one of the largest distilleries in these islands, probably the largest distillery in the East, told me that before the end of July he had exhausted all of his sugar and other raw material, and that he was reluctantly obliged to refuse to fill orders for spirits, one of them for about 300,000 liters, even though higher prices were offered than ever before. In a case of this sort the surprise should lie in the fact not that the output for August should have been reduced, but that there was any output at all in August, inasmuch as the normal sales for that month had already been made in June and July.

There is submitted herewith a statement (Exhibit C) in which are given the figures, as returned by the Manila manufacturers

themselves, showing the actual stock on hand of the various alcohol and tobacco products and matches on July 1 and on August 1, 1904, and the total amounts of such articles sold by the manufacturers during the first month's operation of the law. To this statement are also added comparative figures showing the amount of each of such articles sold by manufacturers during an average normal month before the imposition of the taxes.

From these figures it will be seen that on July 1 the various distillers in Manila had on hand 746,420 liters of proof spirits and that on August 1 the stock in the same distilleries was only 171,387 liters of proof spirits. The difference between these two amounts, 575,033 proof liters, plus the amount in which the forced output exceeded the normal output for July, would give with a fair degree of approximation the number of liters of proof spirits with which the local market was overstocked, i. e., above the normal needs of trade, on August 1, 1904, when the tax on distilled spirits became operative.

What the amount of the excess over the normal output was in the month of July can not, unfortunately, now be accurately determined. However, as will be remembered, the leading distillers of Manila stated, at the second public session in which the proposed law was discussed before the Philippine Commission, that there had been a serious fall off in the output of their manufactories during the first five months of 1904. On the invitation of these distillers, and acting under instructions of the Commission, I met them at the office of one of the leading distillers, where the account books or transcripts therefrom were presented to me for examination by all of the leading distillers or by their representatives. This was near the end of June while the bill was still under consideration. At this meeting the fact was conclusively established, by the books and other documentary evidence, that the business done by the various Manila distilleries from January to May, inclusive, of 1904 was on an average equal to only 65 or 70 per cent of the business done by them during the same five months in the year 1903. This fact was admitted by all. I remember it distinctly, because it came as such an agreeable surprise to find that these distillers so kindly refrained from blaming the law for a slackness in business existing for several months before the date of its enactment.

It also appeared of record in some of the leading distillers' books that in the month of May, 1904, their distilleries had been in operation on an average of but five or six hours a day, whereas in 1903 these same stills had worked from eight to twelve hours a day. But the magic effect of the passage of the internal-revenue law changed all this and for a while put an end to dull times. Beginning some time in June and continuing until July 31, or until their sugar or other raw material gave out, the Manila distilleries ran overtime manufacturing and shipping anisado, ginebra, and other liquors.

There are eight distilleries in Manila, but one is not in operation, having been closed temporarily by the department of public health. The remaining seven distilleries during the first five months of this year had been running only a little over half of the normal number of hours a day. But during the month of July and during a part of June most of these distilleries ran the full number of hours, and some of them ran overtime. It would therefore not be extravagant

to estimate that the forced output of spirits during the months of June and July would equal one month's normal output during the first five months of the year. Therefore, if 575,033 proof liters, the old stock disposed of, be increased by 552,250 proof liters, one month's normal output, it would appear that the liquor market was overstocked, i.e., above normal trade needs, on August 1 by 1,127,283 liters of proof spirits, or nearly 2,000,000 gauge liters of the strength at which anisado and the other compounded liquors are commonly sold to the actual consumer.

Now, in the statements of their estimated production of spirits for the fiscal year ending June 30, 1905 (figures given above), as made by the Manila distillers themselves, it would appear that they would produce in that year something over 6,500,000 liters of proof spirits. So, figured on this basis, the local liquor market, as far as the Manila distillers were concerned, was overstocked on August 1, 1904, with liquors sufficient to supply the normal consumption for a period of over two months. Meanwhile a certain amount of spirits are being removed every day from the distilleries for domestic consumption, which adds to an already overstocked market. Therefore, to expect that normal conditions will obtain in the liquor market before the middle or end of next October is to court disappointment, because it would be to hope for a reversal of the universally accepted commercial law governing supply and demand.

Of course these figures and the inferences made therefrom are based on the Manila distilling business taken as a whole, and no attempt is made to explain wherein some of the distillers got more and others less than their normal share of the increased business during the months of June and July. Some of the distillers were quick to take advantage of the twenty-nine days' margin allowed them for the removal of their spirits, whereas others lost their time execrating the law.

OPERATION OF THE LAW DURING THE FIRST MONTH OF ITS ENFORCEMENT.

An examination of Exhibit C, herewith, giving output by articles and comparative figures, and of Exhibit D, showing the tax collections by articles for the month of August, 1904, in the city of Manila, will be found interesting in view of the statements so often made that the imposition of these taxes on tobacco and alcoholic products would prohibit their consumption.

There were removed from the various manufactories in Manila during the month of August, for domestic consumption, 44,248 proof liters of distilled spirits, 196,885 gauge liters of fermented liquors (beer), 6,969 kilograms of manufactured tobacco, 7,289,778 cigars, 106,233,420 cigarettes, and 8,750 gross boxes of matches. Compared with the normal output during an average month before these taxes were imposed, the August output stands as follows: Distilled spirits, 8 per cent; fermented liquors (beer), 66 per cent; manufactured tobacco, 25 per cent; cigars, 80 per cent; cigarettes, 28 per cent; matches, 62 per cent; or a general average of 45 per cent. The taxes collected on these articles during the month were as follows: Distilled spirits, P10,890; fermented liquors (beer), P9,465.04; manufactured tobacco, P2,397.67; cigars, P6,715.42; cigarettes,

₱73,414.90; matches, ₱3,500; making a total of ₱106,383.03. This amount is now estimated to be between 20 per cent and 25 per cent of what these taxes may be expected to yield during an average month after normal commercial conditions have been restored. The above total does not include the taxes collected on imported matches, the exact figures for which were not available.

Of the total taxes collected during August, one-half, or ₱53,191.51, was collected during the first twenty-one days and the other half was collected during the last ten days of the month. These figures should be most encouraging to the manufacturers as showing in an unmistakable manner the revival of the various industries even at this early date. For the sake of convenience the tax collections by articles are distributed in Exhibit D in three groups, each covering the collections for a period of ten days. The percentages of increase in the tax collections from period to period are also indicated. Partial returns of collections so far made during September seem to indicate that the output of the Manila manufactories, and therefore the tax collections, during the current month will considerably exceed the output and collections during August.

An analysis and explanation of the figures presented in Exhibits C and D may be made as follows:

DISTILLED SPIRITS.

This subject has been fairly well discussed in the preceding pages of this report. All of the articles subject to excise taxes deteriorate with age, except distilled spirits, which usually improve the longer they are kept. This will explain why dealers and middlemen found it profitable to lay in, before the taxes became effective, very large stocks of liquors and only comparatively large stocks of cigarettes and other perishable articles. It will also explain why the August output, as compared with the normal output, of the distilleries was proportionately so much smaller than the August output of the cigarette and other manufactories whose products are subject to these taxes. Why the output of the distilleries for the second ten days in August fell below the output for the first ten days by 12 per cent is not clearly apparent. The probability, however, is that in the rush of the last days of July certain customers were left unsupplied with liquors, and that these orders were filled after August 1 with tax-paid goods.

FERMENTED LIQUORS (BEER.)

The output of beer from the local brewery during August, 1904, was 66 per cent of its output in August, 1903. The price of this native beer was increased considerably after the American occupation, and on July 1 of this year the price was increased still more by the change made in the previous price in Mexican money to the same figure in Philippine currency. Up to August 1, 1904, the brewery allowed middlemen and dealers a discount on its published prices of 20 per cent on draft and 25 per cent on bottled beer. During the month of July last the brewery announced to its customers that on and after August 1, 1904, they would only be allowed 10 per cent discount on draft beer and from 12 per cent to 19 per cent discount on bottled beer, according to the amount of the purchase.

It is estimated that this cut in the discounts previously allowed the trade was just about equal to the tax, 4 centavos per liter, imposed in the internal-revenue law. Of course many dealers anticipated this cut in the discounts by purchasing more than the usual amount of beer in July, and the result was a drop in the August output from the brewery. The price of a glass of native beer has not increased since August 1, 1904, and the situation appears to be that the manufacturers make the same or greater profits than they did before the imposition of the tax; that the consumer pays no more than he did previously, or at most the difference between Mexican and Philippine currency, and that the middlemen and dealers pay the tax out of their profits. It was feared that after the imposition of the internal-revenue tax on the native beer Japanese imported beer might wage a disastrous competition with the native product, unless such foreign beer was also made subject to this tax. This office has since learned that the Japanese Government pays a bounty of 1 yen and 39 sen on each case of beer, containing 36 liters, exported from that country. This bounty is therefore just about the same per liter as the internal-revenue tax imposed here on the native product. A separate and detailed report will be made on this matter.

MANUFACTURED TOBACCO.

There is little chewing, snuff taking, or pipe smoking done in these islands. The picadura, or fine-cut tobacco, turned out mostly by small manufactories, is used almost exclusively for the making of cigarettes. The tax imposed in the internal-revenue law on this picadura is proportionately higher than the other taxes. The likelihood is that the more strictly the law is enforced with regard to this tax the greater will be the output of the cigarette manufactories become. Some 4,000 kilograms of manufactured tobacco exported to other countries, and on which no taxes were collected, are not included in Exhibit D.

CIGARS.

Notwithstanding the fact that large amounts of cigars were removed by dealers from the local manufactories in July to supply the August trade, and that even many of the actual consumers, anticipating an increase in the price in August, made their purchases in July, there was a reduction of only 20 per cent from the normal output in the cigars sold by the Manila manufacturers during the month of August. Cigars require a larger proportion of manual labor in their manufacture than any of the other articles subject to these taxes. For this reason the capacity of a cigar manufactory is largely a question of the number and skill of the cigar makers it employs, and it is not so easy to quickly increase its production and output. For this reason, and also because of large quantities of leaf tobacco which were damaged by the floods early in July, the output of the Manila manufactories was not as large during that month as some of the manufacturers might perhaps have wished. The August output of the cigar manufactories was, therefore, larger than it would otherwise have been. In addition to the 7,289,778 cigars sold for domestic consumption there were exported during August, mostly to China, the Straits Settlements, Australia, and Europe, 6,282,260 cigars.

CIGARETTES.

It is estimated that fully one-half of all the taxes paid on tobacco and alcoholic products will be collected on cigarettes. In view of this fact the movement in the output of cigarettes from the Manila manufactories during the month of August is most satisfactory, as indicating a speedy resumption of their normal output. The taxes collected on cigarettes from the 11th to the 20th of August were more than twice as great as the taxes collected during the first ten days of that month; again, the taxes collected during the last eleven days of the month were more than double the taxes collected between the 10th and the 20th. The increase in the output of tax-paid cigarettes is, therefore, proceeding by leaps and bounds. It was stated at the second public session, in which the proposed law was discussed before the Philippine Commission, that notwithstanding the fact that many cheaper grades of cigarettes were on the market, the vast majority of the consumers of cigarettes voluntarily paid from 2 to 4 centavos more for the better grades. This was before the imposition of the tax. It is not now seriously believed by anyone that the tax imposed, 1 centavo on each 15 cigarettes, will reduce the consumption of these "necessities" to an appreciable extent. That the output from the cigarette manufactories of Manila during August only reached 28 per cent of the normal output during previous months is satisfactorily explained by the well-known fact that all of these manufactories increased enormously their output during July, and that on August 1 (as shown by Exhibit C) their stock on hand was only 16 per cent of the normal stock on hand on July 1. In fact, 7 of the largest of these manufactories were found on August 1, when the tax became effective, to have not a single cigarette on the premises. Besides the 106,233,420 cigarettes sold by the Manila manufacturers for domestic consumption, there were 2,150,825 cigarettes exported to other countries. No tax was collected on these exports, and therefore they are not included in the figures in Exhibit D.

MATCHES.

The statistics on foreign and domestic matches reveal a most interesting state of affairs in the local match market. The average monthly importation of Japanese matches during June and the preceding months in this year was about 38,000 gross of boxes, and the average output of the local match manufactory during the same period was about 14,000 gross of boxes, making a total of 52,000 gross of boxes of matches consumed in a normal month in these islands. Anticipating the effects of the internal-revenue law the local importers brought in from Japan during July 218,401 gross of boxes, and the local match manufactory sold out its entire stock of 47,750 gross and all that it could turn out by forced production during July. There were, therefore, in the hands of the local merchants and speculators on August 1, 1904, an amount considerably in excess of 266,151 gross of boxes, or enough to supply the normal needs of trade for a period of five months from August 1. Under these circumstances it was not to be expected that the importation of foreign matches and the output of domestic matches would be very brisk during August, and when the owner of the local manufactory closed

his books on the 1st of August, and declared that he had not a match in the house, he told an internal-revenue officer that he did not expect to sell any more matches this year. Much to his surprise, however, he paid during August ₱3,500 in taxes on an output of 8,750 gross of boxes, or 62 per cent of the normal output from his manufactory during an average month before the tax on matches was imposed. Only one explanation of this anomalous condition of affairs can be given, and that is that the large stocks of foreign and domestic matches are now in the hands of a limited number of speculators, who hold them at a price equal to that of the tax-paid article. And the smaller merchants and consumers, who had laid in no stocks, finding no choice in the matter as regards price, have continued to trade to a large extent with the local manufacturer, and to whom they paid the taxes on all the matches purchased during August.

DISTILLATION IN THE PROVINCES.

There are 8 well-equipped distilleries in Manila, and about 25 or 30 more in the provinces. The remainder of the 497 distilleries, so far registered in these islands, are primitive affairs, known locally as "cauas." An empty hogshead, a coal-oil can, a tin pan, and a couple of joints of bamboo properly arranged near a stream make a caua. Wherever there are nipa-palm swamps, and no large distilleries cauas abound. In the province of Pangasinan alone there are over a hundred of these cauas, usually attended by a man and a boy. The tuba, or fermented sap from the nipa palm, is put in the can over a fire and under the hogshead. A constant supply of cold water is kept running through the pan at the top of the hogshead. The watery vapor carries the spirits up to the bottom of the pan, where it condenses and falls into the spilt bamboo, arranged gutterwise, and trickles out through the side of the hogshead.

This is the commercial vino de nipa, and it all contains large quantities of amyl alcohol and other poisonous ingredients. It is a very popular drink. Many cases of death or insanity are reported as due to an excessive use of this liquor. Were it not for the fact of the temperate manner in which the natives consume this liquor there would soon be an utter dearth of consumers.

In La Laguna and some other provinces the sap of the cocoanut bud is also distilled into what is known as vino de coco. Some of the cauas used for the distillation of these saps are stone-clay ovens on which is fixed a boiler of iron or copper, in connection with which is used a wooden cylinder and copper coil, called a "toong" by the natives.

The principal nipa districts lie in the provinces of Capiz, Bulacan, Pampanga, and Pangasinan. In all of these provinces are a few large distilleries, and to these the tuba is brought for distillation. Scarcely any of these distilleries, however, are equipped to rectify the crude spirits and remove the amyl alcohol and other poisonous substances. In the past a large proportion of these crude spirits were brought to Manila for rectification. When the provisions of the internal-revenue law regarding the sale of impure spirits for use as beverages are fully enforced very nearly all of these crude spirits will be rectified before they get to the consumers.

About half of the impure spirits produced in these islands comes from the nipa swamps in the province of Bulacan. The tuba is

gathered in jars and most of it is sold by the owners of the nipa lands to the Chinese distillers, about 12 or 13 in number, who have engaged in the distilling business in that province for many years.

The Manila distillers use a certain proportion of sugar as raw material in the distilling of spirits, but the bulk of their anisado, ginebra, and other compounded liquors is made from crude spirits brought from Bulacan and the other provinces, and rectified in Manila. On August 1, when the Manila and Bulacan distilleries reduced the amount of their output, the demand for tuba ceased. The owners of the nipa lands and a large number of men employed in the swamps gathering the tuba complained bitterly. They blamed not the law alone, but also the owners of the distilleries, who they claimed had of late years been in the habit of putting their own price on the tuba and getting it for a song. The distillers, on the other hand, claimed that they, and not the owners of the nipa lands and gatherers of the tuba, were the ones whom the law injured, for the reason that they, the distillers, had already advanced to the owners of the nipa lands about ₱200,000, which they could not collect until this season's tuba crop was delivered. The situation was aggravated by the fact that, relying on false reports published during June to the effect that the internal-revenue law would not be passed, a number of the owners of nipa lands had cut the nipa buds and, in default of a market for tuba, the sap was running to waste. It was estimated that over ₱50,000 worth of tuba was thus lost in one town.

For a while some anxiety was felt on account of the number of the unemployed in the province of Bulacan. However, the situation has now been relieved, or will soon be relieved. Last week the provincial treasurer of Bulacan telegraphed this office for the detail of an agent to assist in the assessment work in that province, as the distillers were about to resume operations, and a couple of days since he reported to this office as follows:

During the month of August but one of the 14 distilleries of Bulacan was in operation. This distillery was operated continuously during August, but none of the spirits distilled has as yet been disposed of.

On September 12 one of the larger distillers of the province applied for a license to begin operations and another distiller has notified me that he will begin operations before the 24th instant.

If this latter-mentioned distillery resumes operations, I am quite certain that the remaining distilleries, which are the largest in this province, will open up, possibly during the first part of the coming month.

Another distillery is being extensively repaired and new and more modern machinery is being installed. This distillery should resume operations October 1.

A new distillery now in course of construction is being hurried to completion. This distillery should be in operation by the 1st of November.

The balance of the distilleries in the province will be reopened so soon as the operators have disposed of the large stock of spirits distilled during June and July, and no further trouble relative to this industry here is anticipated.

ENFORCEMENT OF THE LAW.

The enforcement of the law and the assessment and liquidation work in Manila has been attended to by the agents of this office, assisted during July and August by the deputy city assessor. Very little friction has been encountered in getting the law into operation in accordance with the temporary provisions contained in "Circular No. 1, to all internal-revenue officers" (Exhibit A, herewith).

The majority of the manufacturers of tobacco and alcoholic products are subjects of Spain and of the Chinese Empire. There has been a cheerful disposition manifested by all of these manufacturers to comply fully with the provisions of the law and the regulations. The Hon. Mun Yew Chung, consul-general of the Chinese Empire, kindly volunteered to aid this office in making the law clear to the Chinese subjects in Manila, and thanks are due him for valuable cooperation.

The stamps in the various denominative values, for use in the payment of the internal-revenue taxes, have now been printed by the bureau of public printing, and, so soon as they have been gummed and perforated, will be deposited in the vaults of the insular treasury. The permanent regulations, to replace the temporary regulations now in force, will be issued as soon as practicable.

The time is now near at hand when a strict enforcement of all of the provisions of the internal-revenue law is imperatively demanded if it is expected to bring the tax yield up to the expected figure and in order to protect the larger manufacturers from illegal competition. It is confidently expected that the affixture of the internal-revenue stamps to the official invoice instead of to the packages of goods will to a large extent protect the bona fide manufacturers and secure a more complete collection of the taxes.

For the purpose of imitating imported and high-priced liquors holes are drilled in the bottom of glass bottles, the contents removed and replaced with inferior spirits, and the hole plugged with a gob of melted glass. To be able to sell on the mainland inferior cigars as the output of well-known Manila manufactories the bottom of the box is dexterously removed, the choice cigars removed and poor ones put in their place, the bottom returned to its place, and the manufacturer's trade-mark and labels on the cover left intact. Of course where such ingenious frauds are practiced internal-revenue stamps on corks and lids would afford but scant protection.

DISBURSEMENTS.

The following is a statement of the appropriations made for this bureau by Act 1225 of the Philippine Commission and of the amounts expended during the month of August, 1904:

	Appropriated.	Expended.	Balance.
Salaries and wages	₱75,000.00	₱2,354.22	₱72,645.78
Contingent expenses	40,000.00	1,868.46	38,131.54
Total	115,000.00	4,222.68	110,777.32

Of the above disbursements for contingent expenses, ₱1,764.66 were expended for office furniture and supplies through the insular purchasing agent.

The expenses incurred by the provincial treasurers in the enforcement of the law are paid from provincial funds. Many of the provincial treasurers will be unable to properly attend to this work and secure a prompt and complete payment of the various taxes now in force, and those that will become effective on January 1, 1905,

unless they are allowed additional employees or unless agents are detailed from this bureau to assist them in their work in the field. Agents have already been detailed to this work in certain provinces and more will be sent as occasion requires. Further experience will soon demonstrate whether or not a sufficient number of agents have been provided for in the law to properly attend to the inspection and assessment work in Manila and in the provinces.

CONCLUSION.

This office has no recommendations to make at this time as to amendments to the law. There has been a widespread misapprehension as to the effect of the taxes imposed, of the provisions of the law, and as to the manner of their enforcement. The total per annum per capita taxes which will be collected on tobacco and alcoholic products is less than ₱1, or 2 centavos each week. It has been asserted by the manufacturers that in these islands these articles are of universal consumption, even the women and children using their share. If this be so, then the head of an average family of five would pay, as his weekly tax bill for the family smoking and drinking, the sum of 10 centavos. It is not believed that the imposition of so moderate a tax will tend to curtail the consumption of these articles to any appreciable extent.

In Porto Rico the per annum per capita tax on tobacco and alcoholic products is something over \$1, or ₱2. In the United States it is approximately \$3, or ₱6. In England and in most European countries these taxes are imposed in even higher rates. Many countries in Europe have established a government monopoly in the production of these articles and their manufacture by individuals is prohibited. Spain has for many years had a monopoly in the manufacture of tobacco products, and within the last three or four months has very greatly increased the internal-revenue tax rates on distilled spirits.

The opposition of a large portion of the local press, which had subsided during August, was revived during the first days of September. A leading manufacturer of Manila was lamenting this fact in this office a few days since. He said that his business was in a very satisfactory state, and that as dealers' stocks were becoming exhausted there was a notable increase in the purchases from his manufactory. But, he added, the new campaign against the law inaugurated by the press raised the hopes of the merchants and middlemen that these taxes would be abolished or reduced, and that by holding up their purchases for a short while they would get their goods cheaper.

Of course the opposition to this law at this time can retard, but it can not prevent, its final success. The only regrettable feature to this opposition is that the smaller and more ignorant manufacturers of vino, cigars, and cigarettes have been and are being educated to an attitude of unreasoning hostility to this law. Therefore whenever the provisions of the law are strictly enforced, illicit stills and cigar and cigarette factories will begin to operate behind closed doors and in inaccessible regions. Long after the larger manufacturers shall have recognized, with satisfaction, that their opposition to this tax was a mistake and have settled down to the new order

of things, they will have to suffer the illegal competition waged by these "moonshiners" and illicit manufacturers of all kinds.

It will then become the duty of this office and of the provincial treasurers to weed out these lawbreakers and bring them to justice. It is hoped that the existing penal provisions of the internal-revenue law will be found sufficient to meet the case. But should this not prove to be so this office will, at the proper time, recommend that the Philippine Commission reintroduce, by amendment, into the internal-revenue law certain of the harsher of the penal provisions embodied in the original draft of the law and which were eliminated by the Commission because of the indignant objections raised by the large manufacturers of Manila.

Respectfully submitted.

JNO. S. HORD,
Collector of Internal Revenue.

EXHIBIT A.

CIRCULAR }
No. 1. }

THE GOVERNMENT OF THE PHILIPPINE ISLANDS,
DEPARTMENT OF FINANCE AND JUSTICE,
BUREAU OF INTERNAL REVENUE,
Manila, P. I., August 1, 1904.

To all internal-revenue officers:

SUBJECT: *Preliminary instructions as to the assessment and collection of taxes on distilled spirits, manufactured liquors, fermented liquors, manufactured tobacco, cigars, cigarettes, and matches.*

1. By the provisions of section 71 to 109, inclusive, of "the internal-revenue law of nineteen hundred and four," certain taxes, effective on and after August 1, 1904, are imposed on the objects and in the amounts enumerated in the next succeeding paragraph.

TAXES ON DISTILLED SPIRITS.

2. (a) On all distilled spirits manufactured in the Philippine Islands containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) in the proportion of four or more parts in one thousand, when removed from the place of their manufacture for domestic sale or consumption exclusively for manufacturing or industrial purposes, and not for use as beverages, there shall be levied and collected on each proof liter a tax of 10 centavos (sec. 88).

(b) On all distilled spirits containing the poisonous substances in the proportions mentioned in the preceding subdivision removed from the place of their manufacture to a rectifying establishment for the purpose of their rectification and to reduce the amyl alcohol or other poisonous substances to four or less parts in one thousand there shall be levied and collected, when rectified and the poisonous substances removed as aforesaid, an additional tax of 10 centavos on each proof liter of such rectified spirits removed from the rectifying establishment for domestic sale or consumption as beverages (sec. 88).

(c) On all distilled and rectified spirits removed from the place of their manufacture for domestic sale or consumption there shall be levied and collected on each proof liter a tax of 20 centavos (sec. 74).

(d) On all distilled spirits intended for domestic sale or consumption as beverages, which may be changed in form by a liquor manufacturer, by the addition of flavoring extracts, of other kinds of liquors, or of coloring matter (except methylene blue, etc., which is added to impure spirits), there shall be levied and collected on each proof liter of spirits contained in such manufactured liquors, when removed from the place of their manufacture, an additional tax of 10 centavos, which shall be distinct from and in addition to the tax imposed on the spirits used in the compounding of such manufactured liquors (sec. 87).

TAX ON FERMENTED LIQUORS.

(e) On all beer, lager beer, ale, porter, and all other fermented liquors (except the native fermented drinks known as tuba, basi, tapuy, etc.) brewed or fermented in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each gauge liter of such fermented liquor a tax of 4 centavos (sec. 91).

TAXES ON MANUFACTURED TOBACCO.

(f) On all snuff and snuff flour manufactured or partially manufactured in the Philippine Islands, when removed from the place of manufacture for domestic sale or consumption, there shall be levied and collected on each kilogram a tax of 32 centavos (sec. 101).

(g) On all chewing and smoking tobacco manufactured or partially manufactured in the Philippine Islands, when removed from the place of manufacture for domestic sale or consumption, there shall be levied and collected on each kilogram a tax of 48 centavos (sec. 101).

TAXES ON CIGARS.

(h) On all cigars manufactured in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each one thousand cigars a tax at one of the following rates: When the manufacturer's wholesale price does not exceed ₱20 per thousand, ₱2; when the manufacturer's wholesale price exceeds ₱20 but does not exceed ₱50 per thousand, ₱4; when the manufacturer's wholesale price exceeds ₱50 per thousand, ₱6 (sec. 107).

TAXES ON CIGARETTES.

(i) On all cigarettes manufactured in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each one thousand cigarettes a tax at one of the following rates: When the rate per thousand cigarettes exceeds 2 kilograms, ₱2; when the rate per thousand cigarettes does not exceed 2 kilograms, from August 1, 1904, to June 30, 1905, both inclusive, 67 centavos; when the weight per thousand cigarettes does not exceed 2 kilograms, on and after July 1, 1905, ₱1 (sec. 107).

TAXES ON MATCHES.

(j) On all matches manufactured in the Philippine Islands or imported from other countries, when removed from the place of their manufacture or from the customs warehouse of the port of entry, as the case may be, for domestic sale or consumption, there shall be levied and collected on each gross of boxes containing not more than 120 sticks to the box, 40 centavos; and a proportionate additional tax shall be levied and collected on each gross of boxes containing over 120 sticks to the box (sec. 108).

WHEN TAXES ACCRUE.

3. The taxes imposed on the articles enumerated in the preceding paragraphs accrue not at the time of their manufacture but at the time of their actual removal for domestic sale or consumption from the place of their manufacture or bonded warehouse. Articles manufactured prior to August 1, 1904, and which on said date are still in the possession of the manufacturers thereof, whether at the manufactory or elsewhere, are liable to the payment of the taxes imposed, which should be levied and collected at the time of the removal of such articles from the manufactory or other premises. But the taxes imposed shall not be collected on any of the articles enumerated which on August 1, 1904, are outside of the manufactory premises and in the possession of persons who are not the manufacturers of such articles; nor shall the taxes imposed be collected on any of the articles enumerated, whether manufactured before or after August 1, 1904, and which may be removed from the place of their manufacture, bonded warehouse, or other premises for exportation to other countries and not for domestic sale or consumption (secs. 28 (a), 35, and 36).

TAXES, HOW ASSESSED.

4. The taxes on distilled and rectified spirits and liquors manufactured therefrom for use as beverages will be assessed as follows:

(a) A manufacturer who from raw materials distills impure spirits and removes them to a rectifying establishment shall pay at the time of such removal a tax of 10 centavos on each proof liter of impure spirits so removed.

(b) A manufacturer who rectifies impure spirits originally distilled by another manufacturer, and who removes such rectified spirits for immediate domestic sale or consumption or to some other establishment for the purpose of their conversion into manufactured liquors, shall pay at the time of such removal a tax of 10 centavos on each proof liter of rectified spirits so removed.

(c) A manufacturer who changes the form of spirits distilled and rectified by other manufacturers by the addition of flavoring extracts, etc., as to convert such spirits into

manufactured liquors, and who removes such manufactured liquors for domestic sale or consumption, shall pay at the time of such removal a tax of 10 centavos on each proof liter of manufactured liquors so removed.

(d) A manufacturer who distills spirits from raw materials and who on the same premises, at the time of such original distillation or at any subsequent time, separates the pure from the impure spirits by rectification, and who removes such rectified spirits for immediate domestic sale or consumption, or to some other establishment for the purpose of their conversion into manufactured liquors, shall pay at the time of such removal a tax of 20 centavos on each proof liter of rectified spirits so removed.

(e) A manufacturer who distills spirits from raw materials and who on the same premises, at the time of such original distillation or at any subsequent time, separates the pure from the impure spirits by rectification, and who also at the time of such distillation or rectification or at any subsequent time, and on the same premises, changes the form of such distilled or rectified spirits by the addition thereto of flavoring extracts, etc., so as to convert such spirits into manufactured liquors, and who removes such manufactured liquors for domestic sale or consumption, shall pay at the time of such removal a tax of 30 centavos on each proof liter of manufactured liquors so removed.

(f) Proof spirits are defined as follows in section 72 of the law: "Proof spirits shall be held to be that alcoholic liquor which contains one-half its volume of alcohol of a specific gravity of seven thousand nine hundred and thirty-nine ten thousandths at sixty degrees Fahrenheit of temperature." An alcoholmeter and a thermometer will be sent with this circular to all provincial treasurers who have so far reported the existence of distilling or rectifying establishments within their provinces. A table of equivalents with rules for the reduction of gauge to proof liters at all degrees of temperature, and rules for the gauging of spirits, will also be printed and sent as soon as possible to all revenue officers.

● FERMENTED LIQUORS.

5. The taxes of fermented liquors will be assessed on the total number of gauge liters removed for domestic sale or consumption regardless of the percentage of alcohol contained in such liquors.

MANUFACTURED TOBACCO.

6. The taxes on snuff and manufactured tobacco will be assessed on the actual number of kilograms removed for domestic sale or consumption, and when the weight of the wrappers or boxes in which such snuff or tobacco is packed is included in the weight of the snuff or tobacco invoiced, the tax will be assessed on such total weight and no allowance will be made for the weight of such wrappers or boxes.

CIGARS.

7. (a) The taxes on cigars will be assessed on the cigars removed for domestic sale or consumption, using as a basis the price list at wholesale published by each manufacturer, from which should be deducted the discount, if any, allowed by each manufacturer to the trade in general. Where no price list is published, or where different prices are charged different customers for the same kind of cigars, the assessment should be made using as a basis the price charged in each case. Where the price reported in any case by the manufacturer is manifestly too low, and where as a result of such undervaluation the cigars would fall under a lower tax rate than that under which they properly belong, the assessment will be made using as a basis the actual average selling price by manufacturers at wholesale of cigars of the same kind or similar in quality to the cigars which may have been undervalued.

(b) All manufacturers of cigars or cigarettes, whether such cigars or cigarettes are made in manufactories, in stores, or in the homes of the manufacturers, shall pay the taxes imposed in section 107 on all such cigars or cigarettes removed from any locality where made for domestic sale or consumption; but the taxes on cigars or cigarettes made by manufacturers in their homes and delivered to larger manufacturers shall be paid at the time of the removal of such cigars or cigarettes for domestic sale or consumption from such larger manufactories.

CIGARETTES.

8. (a) The taxes on cigarettes will be assessed on the cigarettes removed for domestic sale or consumption, using as a basis the actual weight, under normal conditions of humidity, of 1,000 cigarettes; and there shall be included in such weight the weight of the paper in which each individual cigarette is rolled, but not the box wrapper, or label in which the cigarettes are placed.

CIGARETTES.

It is estimated that fully one-half of all the taxes paid on tobacco and alcoholic products will be collected on cigarettes. In view of this fact the movement in the output of cigarettes from the Manila manufactories during the month of August is most satisfactory, as indicating a speedy resumption of their normal output. The taxes collected on cigarettes from the 11th to the 20th of August were more than twice as great as the taxes collected during the first ten days of that month; again, the taxes collected during the last eleven days of the month were more than double the taxes collected between the 10th and the 20th. The increase in the output of tax-paid cigarettes is, therefore, proceeding by leaps and bounds. It was stated at the second public session, in which the proposed law was discussed before the Philippine Commission, that notwithstanding the fact that many cheaper grades of cigarettes were on the market, the vast majority of the consumers of cigarettes voluntarily paid from 2 to 4 centavos more for the better grades. This was before the imposition of the tax. It is not now seriously believed by anyone that the tax imposed, 1 centavo on each 15 cigarettes, will reduce the consumption of these "necessities" to an appreciable extent. That the output from the cigarette manufactories of Manila during August only reached 28 per cent of the normal output during previous months is satisfactorily explained by the well-known fact that all of these manufactories increased enormously their output during July, and that on August 1 (as shown by Exhibit C) their stock on hand was only 16 per cent of the normal stock on hand on July 1. In fact, 7 of the largest of these manufactories were found on August 1, when the tax became effective, to have not a single cigarette on the premises. Besides the 106,233,420 cigarettes sold by the Manila manufacturers for domestic consumption, there were 2,150,825 cigarettes exported to other countries. No tax was collected on these exports, and therefore they are not included in the figures in Exhibit D.

MATCHES.

The statistics on foreign and domestic matches reveal a most interesting state of affairs in the local match market. The average monthly importation of Japanese matches during June and the preceding months in this year was about 38,000 gross of boxes, and the average output of the local match manufactory during the same period was about 14,000 gross of boxes, making a total of 52,000 gross of boxes of matches consumed in a normal month in these islands. Anticipating the effects of the internal-revenue law the local importers brought in from Japan during July 218,401 gross of boxes, and the local match manufactory sold out its entire stock of 47,750 gross and all that it could turn out by forced production during July. There were, therefore, in the hands of the local merchants and speculators on August 1, 1904, an amount considerably in excess of 266,151 gross of boxes, or enough to supply the normal needs of trade for a period of five months from August 1. Under these circumstances it was not to be expected that the importation of foreign matches and the output of domestic matches would be very brisk during August, and when the owner of the local manufactory closed

his books on the 1st of August, and declared that he had not a match in the house, he told an internal-revenue officer that he did not expect to sell any more matches this year. Much to his surprise, however, he paid during August ₱3,500 in taxes on an output of 8,750 gross of boxes, or 62 per cent of the normal output from his manufactory during an average month before the tax on matches was imposed. Only one explanation of this anomalous condition of affairs can be given, and that is that the large stocks of foreign and domestic matches are now in the hands of a limited number of speculators, who hold them at a price equal to that of the tax-paid article. And the smaller merchants and consumers, who had laid in no stocks, finding no choice in the matter as regards price, have continued to trade to a large extent with the local manufacturer, and to whom they paid the taxes on all the matches purchased during August.

DISTILLATION IN THE PROVINCES.

There are 8 well-equipped distilleries in Manila, and about 25 or 30 more in the provinces. The remainder of the 497 distilleries, so far registered in these islands, are primitive affairs, known locally as "cauas." An empty hogshead, a coal-oil can, a tin pan, and a couple of joints of bamboo properly arranged near a stream make a caua. Wherever there are nipa-palm swamps, and no large distilleries cauas abound. In the province of Pangasinan alone there are over a hundred of these cauas, usually attended by a man and a boy. The tuba, or fermented sap from the nipa palm, is put in the can over a fire and under the hogshead. A constant supply of cold water is kept running through the pan at the top of the hogshead. The watery vapor carries the spirits up to the bottom of the pan, where it condenses and falls into the spilt bamboo, arranged gutterwise, and trickles out through the side of the hogshead.

This is the commercial vino de nipa, and it all contains large quantities of amyl alcohol and other poisonous ingredients. It is a very popular drink. Many cases of death or insanity are reported as due to an excessive use of this liquor. Were it not for the fact of the temperate manner in which the natives consume this liquor there would soon be an utter dearth of consumers.

In La Laguna and some other provinces the sap of the cocoanut bud is also distilled into what is known as vino de coco. Some of the cauas used for the distillation of these saps are stone-clay ovens on which is fixed a boiler of iron or copper, in connection with which is used a wooden cylinder and copper coil, called a "toong" by the natives.

The principal nipa districts lie in the provinces of Capiz, Bulacan, Pampanga, and Pangasinan. In all of these provinces are a few large distilleries, and to these the tuba is brought for distillation. Scarcely any of these distilleries, however, are equipped to rectify the crude spirits and remove the amyl alcohol and other poisonous substances. In the past a large proportion of these crude spirits were brought to Manila for rectification. When the provisions of the internal-revenue law regarding the sale of impure spirits for use as beverages are fully enforced very nearly all of these crude spirits will be rectified before they get to the consumers.

About half of the impure spirits produced in these islands comes from the nipa swamps in the province of Bulacan. The tuba is

gathered in jars and most of it is sold by the owners of the nipa lands to the Chinese distillers, about 12 or 13 in number, who have engaged in the distilling business in that province for many years.

The Manila distillers use a certain proportion of sugar as raw material in the distilling of spirits, but the bulk of their anisado, ginebra, and other compounded liquors is made from crude spirits brought from Bulacan and the other provinces, and rectified in Manila. On August 1, when the Manila and Bulacan distilleries reduced the amount of their output, the demand for tuba ceased. The owners of the nipa lands and a large number of men employed in the swamps gathering the tuba complained bitterly. They blamed not the law alone, but also the owners of the distilleries, who they claimed had of late years been in the habit of putting their own price on the tuba and getting it for a song. The distillers, on the other hand, claimed that they, and not the owners of the nipa lands and gatherers of the tuba, were the ones whom the law injured, for the reason that they, the distillers, had already advanced to the owners of the nipa lands about ₱200,000, which they could not collect until this season's tuba crop was delivered. The situation was aggravated by the fact that, relying on false reports published during June to the effect that the internal-revenue law would not be passed, a number of the owners of nipa lands had cut the nipa buds and, in default of a market for tuba, the sap was running to waste. It was estimated that over ₱50,000 worth of tuba was thus lost in one town.

For a while some anxiety was felt on account of the number of the unemployed in the province of Bulacan. However, the situation has now been relieved, or will soon be relieved. Last week the provincial treasurer of Bulacan telegraphed this office for the detail of an agent to assist in the assessment work in that province, as the distillers were about to resume operations, and a couple of days since he reported to this office as follows:

During the month of August but one of the 14 distilleries of Bulacan was in operation. This distillery was operated continuously during August, but none of the spirits distilled has as yet been disposed of.

On September 12 one of the larger distillers of the province applied for a license to begin operations and another distiller has notified me that he will begin operations before the 24th instant.

If this latter-mentioned distillery resumes operations, I am quite certain that the remaining distilleries, which are the largest in this province, will open up, possibly during the first part of the coming month.

Another distillery is being extensively repaired and new and more modern machinery is being installed. This distillery should resume operations October 1.

A new distillery now in course of construction is being hurried to completion. This distillery should be in operation by the 1st of November.

The balance of the distilleries in the province will be reopened so soon as the operators have disposed of the large stock of spirits distilled during June and July, and no further trouble relative to this industry here is anticipated.

ENFORCEMENT OF THE LAW.

The enforcement of the law and the assessment and liquidation work in Manila has been attended to by the agents of this office, assisted during July and August by the deputy city assessor. Very little friction has been encountered in getting the law into operation in accordance with the temporary provisions contained in "Circular No. 1, to all internal-revenue officers" (Exhibit A, herewith).

The majority of the manufacturers of tobacco and alcoholic products are subjects of Spain and of the Chinese Empire. There has been a cheerful disposition manifested by all of these manufacturers to comply fully with the provisions of the law and the regulations. The Hon. Mun Yew Chung, consul-general of the Chinese Empire, kindly volunteered to aid this office in making the law clear to the Chinese subjects in Manila, and thanks are due him for valuable cooperation.

The stamps in the various denominative values, for use in the payment of the internal-revenue taxes, have now been printed by the bureau of public printing, and, so soon as they have been gummed and perforated, will be deposited in the vaults of the insular treasury. The permanent regulations, to replace the temporary regulations now in force, will be issued as soon as practicable.

The time is now near at hand when a strict enforcement of all of the provisions of the internal-revenue law is imperatively demanded if it is expected to bring the tax yield up to the expected figure and in order to protect the larger manufacturers from illegal competition. It is confidently expected that the affixture of the internal-revenue stamps to the official invoice instead of to the packages of goods will to a large extent protect the bona fide manufacturers and secure a more complete collection of the taxes.

For the purpose of imitating imported and high-priced liquors holes are drilled in the bottom of glass bottles, the contents removed and replaced with inferior spirits, and the hole plugged with a gob of melted glass. To be able to sell on the mainland inferior cigars as the output of well-known Manila manufactories the bottom of the box is dexterously removed, the choice cigars removed and poor ones put in their place, the bottom returned to its place, and the manufacturer's trade-mark and labels on the cover left intact. Of course where such ingenious frauds are practiced internal-revenue stamps on corks and lids would afford but scant protection.

DISBURSEMENTS.

The following is a statement of the appropriations made for this bureau by Act 1225 of the Philippine Commission and of the amounts expended during the month of August, 1904:

	Appropriated.	Expended.	Balance.
Salaries and wages.....	P75,000.00	P2,354.22	P72,645.78
Contingent expenses.....	40,000.00	1,868.46	38,131.54
Total.....	115,000.00	4,222.68	110,777.32

Of the above disbursements for contingent expenses, P1,764.66 were expended for office furniture and supplies through the insular purchasing agent.

The expenses incurred by the provincial treasurers in the enforcement of the law are paid from provincial funds. Many of the provincial treasurers will be unable to properly attend to this work and secure a prompt and complete payment of the various taxes now in force, and those that will become effective on January 1, 1905,

unless they are allowed additional employees or unless agents are detailed from this bureau to assist them in their work in the field. Agents have already been detailed to this work in certain provinces and more will be sent as occasion requires. Further experience will soon demonstrate whether or not a sufficient number of agents have been provided for in the law to properly attend to the inspection and assessment work in Manila and in the provinces.

CONCLUSION.

This office has no recommendations to make at this time as to amendments to the law. There has been a widespread misapprehension as to the effect of the taxes imposed, of the provisions of the law, and as to the manner of their enforcement. The total per annum per capita taxes which will be collected on tobacco and alcoholic products is less than ₱1, or 2 centavos each week. It has been asserted by the manufacturers that in these islands these articles are of universal consumption, even the women and children using their share. If this be so, then the head of an average family of five would pay, as his weekly tax bill for the family smoking and drinking, the sum of 10 centavos. It is not believed that the imposition of so moderate a tax will tend to curtail the consumption of these articles to any appreciable extent.

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of things, they will have to suffer the illegal competition waged by these "moonshiners" and illicit manufacturers of all kinds.

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Respectfully submitted.

JNO. S. HORD,
Collector of Internal Revenue.

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DEPARTMENT OF FINANCE AND JUSTICE,
BUREAU OF INTERNAL REVENUE,
Manila, P. I., August 1, 1904.

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(e) On all beer, lager beer, ale, porter, and all other fermented liquors (except the native fermented drinks known as tuba, basi, tapuy, etc.) brewed or fermented in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each gauge liter of such fermented liquor a tax of 4 centavos (sec. 91).

gathered in jars and most of it is sold by the owners of the nipa lands to the Chinese distillers, about 12 or 13 in number, who have engaged in the distilling business in that province for many years.

The Manila distillers use a certain proportion of sugar as raw material in the distilling of spirits, but the bulk of their anisado, ginebra, and other compounded liquors is made from crude spirits brought from Bulacan and the other provinces, and rectified in Manila. On August 1, when the Manila and Bulacan distilleries reduced the amount of their output, the demand for tuba ceased. The owners of the nipa lands and a large number of men employed in the swamps gathering the tuba complained bitterly. They blamed not the law alone, but also the owners of the distilleries, who they claimed had of late years been in the habit of putting their own price on the tuba and getting it for a song. The distillers, on the other hand, claimed that they, and not the owners of the nipa lands and gatherers of the tuba, were the ones whom the law injured, for the reason that they, the distillers, had already advanced to the owners of the nipa lands about ₱200,000, which they could not collect until this season's tuba crop was delivered. The situation was aggravated by the fact that, relying on false reports published during June to the effect that the internal-revenue law would not be passed, a number of the owners of nipa lands had cut the nipa buds and, in default of a market for tuba, the sap was running to waste. It was estimated that over ₱50,000 worth of tuba was thus lost in one town.

For a while some anxiety was felt on account of the number of the unemployed in the province of Bulacan. However, the situation has now been relieved, or will soon be relieved. Last week the provincial treasurer of Bulacan telegraphed this office for the detail of an agent to assist in the assessment work in that province, as the distillers were about to resume operations, and a couple of days since he reported to this office as follows:

During the month of August but one of the 14 distilleries of Bulacan was in operation. This distillery was operated continuously during August, but none of the spirits distilled has as yet been disposed of.

On September 12 one of the larger distillers of the province applied for a license to begin operations and another distiller has notified me that he will begin operations before the 24th instant.

If this latter-mentioned distillery resumes operations, I am quite certain that the remaining distilleries, which are the largest in this province, will open up, possibly during the first part of the coming month.

Another distillery is being extensively repaired and new and more modern machinery is being installed. This distillery should resume operations October 1.

A new distillery now in course of construction is being hurried to completion. This distillery should be in operation by the 1st of November.

The balance of the distilleries in the province will be reopened so soon as the operators have disposed of the large stock of spirits distilled during June and July, and no further trouble relative to this industry here is anticipated.

ENFORCEMENT OF THE LAW.

The enforcement of the law and the assessment and liquidation work in Manila has been attended to by the agents of this office, assisted during July and August by the deputy city assessor. Very little friction has been encountered in getting the law into operation in accordance with the temporary provisions contained in "Circular No. 1, to all internal-revenue officers" (Exhibit A, herewith).

The majority of the manufacturers of tobacco and alcoholic products are subjects of Spain and of the Chinese Empire. There has been a cheerful disposition manifested by all of these manufacturers to comply fully with the provisions of the law and the regulations. The Hon. Mun Yew Chung, consul-general of the Chinese Empire, kindly volunteered to aid this office in making the law clear to the Chinese subjects in Manila, and thanks are due him for valuable cooperation.

The stamps in the various denominative values, for use in the payment of the internal-revenue taxes, have now been printed by the bureau of public printing, and, so soon as they have been gummed and perforated, will be deposited in the vaults of the insular treasury. The permanent regulations, to replace the temporary regulations now in force, will be issued as soon as practicable.

The time is now near at hand when a strict enforcement of all of the provisions of the internal-revenue law is imperatively demanded if it is expected to bring the tax yield up to the expected figure and in order to protect the larger manufacturers from illegal competition. It is confidently expected that the affixture of the internal-revenue stamps to the official invoice instead of to the packages of goods will to a large extent protect the bona fide manufacturers and secure a more complete collection of the taxes.

For the purpose of imitating imported and high-priced liquors holes are drilled in the bottom of glass bottles, the contents removed and replaced with inferior spirits, and the hole plugged with a gob of melted glass. To be able to sell on the mainland inferior cigars as the output of well-known Manila manufactories the bottom of the box is dexterously removed, the choice cigars removed and poor ones put in their place, the bottom returned to its place, and the manufacturer's trade-mark and labels on the cover left intact. Of course where such ingenious frauds are practiced internal-revenue stamps on corks and lids would afford but scant protection.

DISBURSEMENTS.

The following is a statement of the appropriations made for this bureau by Act 1225 of the Philippine Commission and of the amounts expended during the month of August, 1904:

	Appropriated.	Expended.	Balance.
Salaries and wages	P75,000.00	P2,354.22	P72,645.78
Contingent expenses	40,000.00	1,868.46	38,131.54
Total	115,000.00	4,222.68	110,777.32

Of the above disbursements for contingent expenses, P1,764.66 were expended for office furniture and supplies through the insular purchasing agent.

The expenses incurred by the provincial treasurers in the enforcement of the law are paid from provincial funds. Many of the provincial treasurers will be unable to properly attend to this work and secure a prompt and complete payment of the various taxes now in force, and those that will become effective on January 1, 1905,

unless they are allowed additional employees or unless agents are detailed from this bureau to assist them in their work in the field. Agents have already been detailed to this work in certain provinces and more will be sent as occasion requires. Further experience will soon demonstrate whether or not a sufficient number of agents have been provided for in the law to properly attend to the inspection and assessment work in Manila and in the provinces.

CONCLUSION.

This office has no recommendations to make at this time as to amendments to the law. There has been a widespread misapprehension as to the effect of the taxes imposed, of the provisions of the law, and as to the manner of their enforcement. The total per annum per capita taxes which will be collected on tobacco and alcoholic products is less than ₱1, or 2 centavos each week. It has been asserted by the manufacturers that in these islands these articles are of universal consumption, even the women and children using their share. If this be so, then the head of an average family of five would pay, as his weekly tax bill for the family smoking and drinking, the sum of 10 centavos. It is not believed that the imposition of so moderate a tax will tend to curtail the consumption of these articles to any appreciable extent.

In Porto Rico the per annum per capita tax on tobacco and alcoholic products is something over \$1, or ₱2. In the United States it is approximately \$3, or ₱6. In England and in most European countries these taxes are imposed in even higher rates. Many countries in Europe have established a government monopoly in the production of these articles and their manufacture by individuals is prohibited. Spain has for many years had a monopoly in the manufacture of tobacco products, and within the last three or four months has very greatly increased the internal-revenue tax rates on distilled spirits.

The opposition of a large portion of the local press, which had subsided during August, was revived during the first days of September. A leading manufacturer of Manila was lamenting this fact in this office a few days since. He said that his business was in a very satisfactory state, and that as dealers' stocks were becoming exhausted there was a notable increase in the purchases from his manufactory. But, he added, the new campaign against the law inaugurated by the press raised the hopes of the merchants and middlemen that these taxes would be abolished or reduced, and that by holding up their purchases for a short while they would get their goods cheaper.

Of course the opposition to this law at this time can retard, but it can not prevent, its final success. The only regrettable feature to this opposition is that the smaller and more ignorant manufacturers of vino, cigars, and cigarettes have been and are being educated to an attitude of unreasoning hostility to this law. Therefore whenever the provisions of the law are strictly enforced, illicit stills and cigar and cigarette factories will begin to operate behind closed doors and in inaccessible regions. Long after the larger manufacturers shall have recognized, with satisfaction, that their opposition to this tax was a mistake and have settled down to the new order

of things, they will have to suffer the illegal competition waged by these "moonshiners" and illicit manufacturers of all kinds.

It will then become the duty of this office and of the provincial treasurers to weed out these lawbreakers and bring them to justice. It is hoped that the existing penal provisions of the internal-revenue law will be found sufficient to meet the case. But should this not prove to be so this office will, at the proper time, recommend that the Philippine Commission reintroduce, by amendment, into the internal-revenue law certain of the harsher of the penal provisions embodied in the original draft of the law and which were eliminated by the Commission because of the indignant objections raised by the large manufacturers of Manila.

Respectfully submitted.

JNO. S. HORD,
Collector of Internal Revenue.

EXHIBIT A.

CIRCULAR }
No. 1. }

THE GOVERNMENT OF THE PHILIPPINE ISLANDS,
DEPARTMENT OF FINANCE AND JUSTICE,
BUREAU OF INTERNAL REVENUE,
Manila, P. I., August 1, 1904.

To all internal-revenue officers:

SUBJECT: *Preliminary instructions as to the assessment and collection of taxes on distilled spirits, manufactured liquors, fermented liquors, manufactured tobacco, cigars, cigarettes, and matches.*

1. By the provisions of section 71 to 109, inclusive, of "the internal-revenue law of nineteen hundred and four," certain taxes, effective on and after August 1, 1904, are imposed on the objects and in the amounts enumerated in the next succeeding paragraph.

TAXES ON DISTILLED SPIRITS.

2. (a) On all distilled spirits manufactured in the Philippine Islands containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) in the proportion of four or more parts in one thousand, when removed from the place of their manufacture for domestic sale or consumption exclusively for manufacturing or industrial purposes, and not for use as beverages, there shall be levied and collected on each proof liter a tax of 10 centavos (sec. 88).

(b) On all distilled spirits containing the poisonous substances in the proportions mentioned in the preceding subdivision removed from the place of their manufacture to a rectifying establishment for the purpose of their rectification and to reduce the amyl alcohol or other poisonous substances to four or less parts in one thousand there shall be levied and collected, when rectified and the poisonous substances removed as aforesaid, an additional tax of 10 centavos on each proof liter of such rectified spirits removed from the rectifying establishment for domestic sale or consumption as beverages (sec. 88).

(c) On all distilled and rectified spirits removed from the place of their manufacture for domestic sale or consumption there shall be levied and collected on each proof liter a tax of 20 centavos (sec. 74).

(d) On all distilled spirits intended for domestic sale or consumption as beverages, which may be changed in form by a liquor manufacturer, by the addition of flavoring extracts, of other kinds of liquors, or of coloring matter (except methylene blue, etc., which is added to impure spirits), there shall be levied and collected on each proof liter of spirits contained in such manufactured liquors, when removed from the place of their manufacture, an additional tax of 10 centavos, which shall be distinct from and in addition to the tax imposed on the spirits used in the compounding of such manufactured liquors (sec. 87).

TAX ON FERMENTED LIQUORS.

(e) On all beer, lager beer, ale, porter, and all other fermented liquors (except the native fermented drinks known as tuba, basi, tapuy, etc.) brewed or fermented in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each gauge liter of such fermented liquor a tax of 4 centavos (sec. 91).

TAXES ON MANUFACTURED TOBACCO.

(f) On all snuff and snuff flour manufactured or partially manufactured in the Philippine Islands, when removed from the place of manufacture for domestic sale or consumption, there shall be levied and collected on each kilogram a tax of 32 centavos (sec. 101).

(g) On all chewing and smoking tobacco manufactured or partially manufactured in the Philippine Islands, when removed from the place of manufacture for domestic sale or consumption, there shall be levied and collected on each kilogram a tax of 48 centavos (sec. 101).

TAXES ON CIGARS.

(h) On all cigars manufactured in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each one thousand cigars a tax at one of the following rates: When the manufacturer's wholesale price does not exceed ₱20 per thousand, ₱2; when the manufacturer's wholesale price exceeds ₱20 but does not exceed ₱50 per thousand, ₱4; when the manufacturer's wholesale price exceeds ₱50 per thousand, ₱6 (sec. 107).

TAXES ON CIGARETTES.

(i) On all cigarettes manufactured in the Philippine Islands, when removed from the place of their manufacture for domestic sale or consumption, there shall be levied and collected on each one thousand cigarettes a tax at one of the following rates: When the rate per thousand cigarettes exceeds 2 kilograms, ₱2; when the rate per thousand cigarettes does not exceed 2 kilograms, from August 1, 1904, to June 30, 1905, both inclusive, 67 centavos; when the weight per thousand cigarettes does not exceed 2 kilograms, on and after July 1, 1905, ₱1 (sec. 107).

TAXES ON MATCHES.

(j) On all matches manufactured in the Philippine Islands or imported from other countries, when removed from the place of their manufacture or from the customs warehouse of the port of entry, as the case may be, for domestic sale or consumption, there shall be levied and collected on each gross of boxes containing not more than 120 sticks to the box, 40 centavos; and a proportionate additional tax shall be levied and collected on each gross of boxes containing over 120 sticks to the box (sec. 108).

WHEN TAXES ACCRUE.

3. The taxes imposed on the articles enumerated in the preceding paragraphs accrue not at the time of their manufacture but at the time of their actual removal for domestic sale or consumption from the place of their manufacture or bonded warehouse. Articles manufactured prior to August 1, 1904, and which on said date are still in the possession of the manufacturers thereof, whether at the manufactory or elsewhere, are liable to the payment of the taxes imposed, which should be levied and collected at the time of the removal of such articles from the manufactory or other premises. But the taxes imposed shall not be collected on any of the articles enumerated which on August 1, 1904, are outside of the manufactory premises and in the possession of persons who are not the manufacturers of such articles; nor shall the taxes imposed be collected on any of the articles enumerated, whether manufactured before or after August 1, 1904, and which may be removed from the place of their manufacture, bonded warehouse, or other premises for exportation to other countries and not for domestic sale or consumption (secs. 28 (a), 35, and 36).

TAXES, HOW ASSESSED.

4. The taxes on distilled and rectified spirits and liquors manufactured therefrom for use as beverages will be assessed as follows:

(a) A manufacturer who from raw materials distills impure spirits and removes them to a rectifying establishment shall pay at the time of such removal a tax of 10 centavos on each proof liter of impure spirits so removed.

(b) A manufacturer who rectifies impure spirits originally distilled by another manufacturer, and who removes such rectified spirits for immediate domestic sale or consumption or to some other establishment for the purpose of their conversion into manufactured liquors, shall pay at the time of such removal a tax of 10 centavos on each proof liter of rectified spirits so removed.

(c) A manufacturer who changes the form of spirits distilled and rectified by other manufacturers by the addition of flavoring extracts, etc., as to convert such spirits into

manufactured liquors, and who removes such manufactured liquors for domestic sale or consumption, shall pay at the time of such removal a tax of 10 centavos on each proof liter of manufactured liquors so removed.

(d) A manufacturer who distills spirits from raw materials and who on the same premises, at the time of such original distillation or at any subsequent time, separates the pure from the impure spirits by rectification, and who removes such rectified spirits for immediate domestic sale or consumption, or to some other establishment for the purpose of their conversion into manufactured liquors, shall pay at the time of such removal a tax of 20 centavos on each proof liter of rectified spirits so removed.

(e) A manufacturer who distills spirits from raw materials and who on the same premises, at the time of such original distillation or at any subsequent time, separates the pure from the impure spirits by rectification, and who also at the time of such distillation or rectification or at any subsequent time, and on the same premises, changes the form of such distilled or rectified spirits by the addition thereto of flavoring extracts, etc., so as to convert such spirits into manufactured liquors, and who removes such manufactured liquors for domestic sale or consumption, shall pay at the time of such removal a tax of 30 centavos on each proof liter of manufactured liquors so removed.

(f) Proof spirits are defined as follows in section 72 of the law: "Proof spirits shall be held to be that alcoholic liquor which contains one-half its volume of alcohol of a specific gravity of seven thousand nine hundred and thirty-nine ten thousandths at sixty degrees Fahrenheit of temperature." An alcoholmeter and a thermometer will be sent with this circular to all provincial treasurers who have so far reported the existence of distilling or rectifying establishments within their provinces. A table of equivalents with rules for the reduction of gauge to proof liters at all degrees of temperature, and rules for the gauging of spirits, will also be printed and sent as soon as possible to all revenue officers.

● FERMENTED LIQUORS.

5. The taxes of fermented liquors will be assessed on the total number of gauge liters removed for domestic sale or consumption regardless of the percentage of alcohol contained in such liquors.

MANUFACTURED TOBACCO.

6. The taxes on snuff and manufactured tobacco will be assessed on the actual number of kilograms removed for domestic sale or consumption, and when the weight of the wrappers or boxes in which such snuff or tobacco is packed is included in the weight of the snuff or tobacco invoiced, the tax will be assessed on such total weight and no allowance will be made for the weight of such wrappers or boxes.

CIGARS.

7. (a) The taxes on cigars will be assessed on the cigars removed for domestic sale or consumption, using as a basis the price list at wholesale published by each manufacturer, from which should be deducted the discount, if any, allowed by each manufacturer to the trade in general. Where no price list is published, or where different prices are charged different customers for the same kind of cigars, the assessment should be made using as a basis the price charged in each case. Where the price reported in any case by the manufacturer is manifestly too low, and where as a result of such undervaluation the cigars would fall under a lower tax rate than that under which they properly belong, the assessment will be made using as a basis the actual average selling price by manufacturers at wholesale of cigars of the same kind or similar in quality to the cigars which may have been undervalued.

(b) All manufacturers of cigars or cigarettes, whether such cigars or cigarettes are made in manufactories, in stores, or in the homes of the manufacturers, shall pay the taxes imposed in section 107 on all such cigars or cigarettes removed from any locality where made for domestic sale or consumption; but the taxes on cigars or cigarettes made by manufacturers in their homes and delivered to larger manufacturers shall be paid at the time of the removal of such cigars or cigarettes for domestic sale or consumption from such larger manufactories.

CIGARETTES.

8. (a) The taxes on cigarettes will be assessed on the cigarettes removed for domestic sale or consumption, using as a basis the actual weight, under normal conditions of humidity, of 1,000 cigarettes; and there shall be included in such weight the weight of the paper in which each individual cigarette is rolled, but not the box wrapper, or label in which the cigarettes are placed.

(b) The taxes on cigarettes manufactured in their homes by small manufacturers for delivery to the larger manufacturers shall be paid in the manner provided in subdivision (b) of the next preceding paragraph.

MATCHES.

9. (a) The taxes on matches will be assessed on the number of gross manufactured in the Philippine Islands and removed for domestic sale or consumption, using as a basis the average number of individual matches in each box; thus, any number of sticks up to and including 120 to a box will be assessed at 40 centavos per gross of boxes; 121 sticks to a box will be assessed at forty and one-third centavos per gross of boxes; 123 sticks to a box will be assessed at 41 centavos per gross of boxes; 240 sticks to a box will be assessed at 80 centavos per gross of boxes.

(b) Matches imported from other countries for domestic sale or consumption in the Philippine Islands are under the provisions of sections 108 and 109 made subject to the same taxes as are imposed on matches manufactured in the Philippine Islands for domestic sale or consumption. The taxes on imported matches will be assessed and collected by customs officers, to be designated by the collector of customs for the Philippine Islands. The assessment of this tax will be made in the manner provided in subdivision (a) of this paragraph for the assessment of taxes on matches manufactured in the Philippine Islands, and the taxes on imported matches will be paid before they are delivered to the importer or removed from the customs warehouse.

TEMPORARY REGULATIONS FOR THE COLLECTION OF TAXES.

10. The foregoing regulations, until repealed or amended, will govern the manner in which the assessment of the articles referred to shall be made. With regard to the collection of the taxes imposed, attention is invited to the following provision of the law:

"Sec. 152. Until the collector of internal revenue shall have the proper books, stamps, and forms ready for distribution, the methods provided for the administration of this act shall not be required: and he is empowered to make such temporary regulations and arrangements for the collection of the taxes imposed by this act as will not unduly embarrass or interrupt the business of the persons affected thereby."

Therefore, until such time as the stamps, register, and invoice books, bonds, and other forms and the necessary instructions, now being prepared, are issued, the record of articles manufactured and removed shall be kept and the taxes thereon shall be collected in the manner provided in the next succeeding paragraph.

RECORD BOOK.

11. (a) On August 1, 1904, each manufacturer of any of the articles subject to the taxes aforesaid shall provide a record book for each class of articles manufactured by him. The location of the factory by province, barrio, or town and street number, the name of the manufactory, and the name of the owner and of the manager shall be entered on the first page of each book, together with the name of the article manufactured. The record books shall be ordinary blank books of a convenient size, and shall have on the first page the impress of the seal of the provincial treasurer or his authorized deputy, or by an internal-revenue agent: and such record books shall be used exclusively for the entries provided for in this paragraph.

ENTRY OF STOCK AND ARTICLES MANUFACTURED AND REMOVED.

(b) The second, fourth, sixth, etc., pages in each record book shall be marked "Debit," and the first entry made thereon shall be the total stock of taxable articles on the manufactory premises on the morning of August 1, 1904, and thereafter at the close of work each day the owner or manager of the manufactory shall enter on such "debit" pages the total of taxable articles manufactured during the preceding twenty-four hours. The third, fifth, seventh, etc., pages in each record book shall be marked "Credit," and the owner or manager of the manufactory shall promptly at the time of removal of any articles from the premises make entry of the same on such "credit" pages, if for domestic sale or consumption in black ink and if for export to other countries in red ink. Whenever a "debit" or a "credit" page has been filled both it and the "credit" or "debit" page facing it shall be added up and both totals carried over to the next "debit" and "credit" pages. All blank spaces shall be ruled off and at the foot of each filled page the following certificate shall be entered and signed by the owner or manager of the manufactory: "I certify that the entries contained on this page fully and truly describe all of the taxable articles manufactured or removed from the manufactory premises from the — day of — to the — day of —, and that no articles manufactured or removed have been omitted. — owner or manager."

PAGES OF RECORD BOOK.

(c) The record books for distilled or rectified spirits or manufactured liquors shall have on each page three columns, in the first of which shall be entered the number of gauge (or volume capacity) liters, in the second column the alcoholmeter (Gay Lussac) and thermometer readings (centigrade), and in the third column the equivalent of the total gauge liters shall be expressed in liters of proof spirits. The record books for manufactured tobacco shall have on each page two columns, in the first of which shall be entered the number of kilograms of snuff and in the second column the number of kilograms of smoking or chewing tobacco. The record books for cigars shall have on each page three columns, in the first of which shall be entered the number of cigars valued at ₱20 or less per thousand, in the second column the number of cigars valued at more than ₱20 but not more than ₱50 per thousand, and in the third column the number of cigars valued at more than ₱50 per thousand. The record books for cigarettes shall have on each page two columns, in the first of which shall be entered the number of cigarettes weighing 2 kilograms or less per thousand, and in the second column the number of cigarettes weighing more than 2 kilograms per thousand. The record books for matches shall have on each page three columns, in the first of which shall be entered the number of gross of boxes containing each box 120 sticks or less, in the second column the number of gross of boxes containing each box more than 120 sticks, and in the third column the average number of sticks to each box when it exceeds 120.

ENTRY AND MEMORANDUM SLIP FOR ARTICLES REMOVED.

(d) Manufacturers shall enter on the "credit" pages the date of the removal of each lot of articles, and the name and residence of the purchaser or person to whom consigned, and shall in the proper columns, on such "credit" pages, enter a true description of the articles removed, and shall deliver, at the time of such removal, to the purchaser or carrier a memorandum slip on which shall be copied the entries made in the record book. The entries made on such "credit" pages shall be numbered consecutively, beginning with "No. 1" for the first lot of articles removed on August 1, 1904, from each manufactory. Each memorandum slip given to the purchaser or sent to the consignee shall be given the same number as is given to the corresponding entry in the record book, and all such memorandum slips shall be signed by the owner, manager, or employee in charge of the articles removed from the manufactory.

LIQUIDATION SHEETS AND PAYMENT OF TAXES.

(e) At daily, weekly, or other frequent intervals, in the discretion of each provincial treasurer, a balance shall be struck in the record book in each manufactory and a liquidation of the account showing the taxes due on articles removed for domestic sale or consumption since August 1, 1904, or since the date of the last liquidation, shall be entered in the record book and signed by the provincial treasurer or other internal-revenue officer who strikes the balance, makes the liquidation, and inspects the stock of articles remaining on the manufactory premises. Manufacturers shall from day to day make on loose sheets two copies of all entries made on the "debit" and "credit" pages of their record books, and at the time of each liquidation of a manufacturer's record book the two copies shall also be added up and liquidated and signed by the provincial treasurer or other revenue officer who makes the inspection. The manufacturer shall then sign both such copies and at once deliver, or transmit them to the treasurer or deputy treasurer of the proper province, together with the amount of taxes due. Any internal-revenue officer may make and certify to a liquidation of a manufacturer's account, but only provincial treasurers or their authorized deputies are authorized to receive and receipt for money in payment of taxes.

RECEIPT AND RECORD OF TAXES PAID.

(f) Provincial treasurers and their deputies shall on August 1, 1904, open a ledger account with each manufacturer, of the articles mentioned above, in each locality. They shall debit each such account with the stock of articles on the manufactory premises on August 1, 1904, and thereafter with the articles manufactured as shown from time to time by the liquidation sheets; they shall credit each such account with all articles removed for export and with all articles on which the taxes are paid as shown from time to time by the liquidation sheets. When the liquidation sheets and the money in payment of the taxes due are presented to a provincial treasurer or his deputy, as provided in the next preceding subdivision (e), such officer shall at once enter the totals in the proper ledger account, receipt each copy of the liquidation sheets, return one copy to the manufacturer, send the other by first mail to the collector of internal revenue, and hold the money received as taxes until the stamps, register,

and invoice books provided by sections 28 et seq. of the law, are issued, when further instructions will be given regarding the affixture and cancellation of internal-revenue stamps in payment of such taxes. Provincial treasurers and their deputies will in their ledger accounts give each manufacturer a temporary assessment number and will number the liquidation sheets consecutively for each manufacturer; and such assessment and liquidation sheet numbers shall be entered on both copies of the liquidation sheets when presented.

RECORD OF ARTICLES OUTSIDE OF THE FACTORY PREMISES.

(g) A separate record book shall be kept by each manufacturer who on August 1, 1904, has in his possession on any premises other than those of the manufactory any of the taxable articles aforesaid manufactured by him prior to the said date. Such record book shall be kept on the same premises where the articles are stored, and all entries therein, liquidation of accounts, transcripts therefrom, and payment of taxes for articles removed from such premises, shall be made as near as may be possible in conformity with the regulations prescribed in the preceding subdivisions of this paragraph for record books kept on the manufactory premises proper. But in no case shall the payment of taxes be required for articles which on August 1, 1904, had left both the possession and ownership of the manufacturers thereof.

MANUFACTURERS OF CIGARS, ETC., ON A SMALL SCALE.

(h) Persons who manufacture cigars or cigarettes in their homes for sale or delivery to others, and other persons who manufacture on a very small scale, shall be required to submit statements at frequent intervals as to the total of the articles manufactured and sold by them, or delivered by them to the larger manufacturers. Provincial treasurers may, in their discretion, waive the use of record books and liquidation sheets in the cases of such small manufacturers who, on account of their ignorance or of the unimportance of their business are unable to keep such record themselves or to employ some one else to keep it for them. But all such small manufacturers shall be given an assessment number, and a ledger account shall be opened in the name of each such manufacturer in which he shall be debited with all articles he declares, orally or in writing, to have manufactured, and he shall be credited with all articles he shall declare to have removed for domestic sale or consumption or to have delivered to the larger manufacturers. Whenever required, a declaration sheet in duplicate shall be signed and delivered by such small manufacturers to the provincial treasurer or his deputy, together with the taxes due, and the officer shall indorse his receipt thereon, make entry in the proper ledger account, return one copy of the declaration to the manufacturer, and send the other copy to the collector of internal revenue in the same manner as is provided in the previous subdivisions of this paragraph for the handling of the liquidation sheets presented by the larger manufacturers. Whenever a small manufacturer is delinquent in the payment of the taxes due, or whenever he deliberately conceals or fails to report any of the taxable articles manufactured, sold, or removed by him, the provincial treasurer or deputy treasurer shall require such small manufacturer to thereafter keep a record book and present, when required, the liquidation sheets provided for in the previous subdivisions of this paragraph.

DUTIES OF PROVINCIAL TREASURERS AND OTHER INTERNAL-REVENUE OFFICERS.

12. By the provisions of section 26 and other sections of the internal-revenue law the provincial treasurers and their deputies, and, in the city of Manila, the city assessor and collector and his deputies, are charged with the inspection, assessment, and collection of the various taxes. The assist in the enforcement of the law and to supervise and secure uniformity in its administration in all parts of the islands, internal-revenue agents, storekeepers and gaugers will be appointed and detailed from this office for special or general duty in localities where such assistance or supervision may be required.

BANKS, BANKERS, AND INSURANCE COMPANIES.

13. The taxes imposed on banks and bankers in section 111 of the law also become effective on August 1, 1904, but such taxes due for the five months ending December 31, 1904, will not be collectible until February 1, 1905. The taxes imposed on insurance companies in section 126 of the law also become effective on August 1, 1904, but such taxes due for the five months ending December 31, 1904, will not be collectible until April 1, 1905. Provincial treasurers will at once furnish copies of the law to all banks, bankers, and insurance companies and their branch establishments in the various towns, and call the attention of the president or manager of each such bank or insurance company as to the record which should be kept, and report which will be required of its business transactions.

EXISTING STAMP AND INDUSTRIAL TAXES.

14. The stamp taxes imposed by royal decree on May 16, 1886, and the taxes on business imposed by royal decree on June 19, 1890, known as the "industria" tax, and which have been continued in operation since the American occupation, will continue to be collected, under existing regulations, until December 31, 1904.

CIRCULAR TO BE DISTRIBUTED TO TAXPAYERS.

15. Copies of this circular, in English and Spanish, will be furnished provincial treasurers and internal-revenue agents, sufficient in number to supply all taxpayers. In referring to circulars issued by this office, internal-revenue officers should give the number of the circular, of the section, and of the page to which the remark or query applies.

JNO. S. HORD,
Collector of Internal Revenue.

Approved:

HENRY C. IDE,
Secretary of Finance and Justice.

EXHIBIT C.—Comparative figures showing output of tobacco and alcoholic products and matches in August, 1904, as compared with normal output per month from January to May, 1904, for the city of Manila.

	Distilled spirits.	Fermented liquors.	Cigars.	Cigarettes.	Manufactured tobacco.	Boxes matches (domestic).
	<i>Proof liters.</i>	<i>Gauge liters.</i>			<i>Kilos.</i>	<i>Gross.</i>
Stock, July 1, 1904.....	746,420	684,100	11,661,865	79,811,219	7,441	47,750
Stock, Aug. 1, 1904.....	171,387	670,000	8,718,689	11,841,013	1,933	None.
Sales, Aug., 1904.....	44,248	196,885	7,289,778	106,233,420	6,969	8,750
Average output per month from January to May, 1904.....	552,250	299,350	9,166,000	376,744,840	27,243	14,073
Percentage of normal output in Aug., 1904.....	8	66	80	28	25	62
In addition to the above there are manufactured annually for export about			50,000,000	25,000,000	50,000	

EXHIBIT D.—Recapitulation—Taxes collected in the city of Manila during the month of August, 1904.

Article.	August 1 to 10, tax collected.	August 11 to 20.		August 21 to 31.			Total taxes collected August 1 to 31.
		Tax collected.	Increase over first 10 days.	Tax collected.	Increase—		
					Over first 10 days.	Over second 10 days.	
			<i>Per cent.</i>		<i>Per cent.</i>	<i>Per cent.</i>	
Distilled spirits.....	₱3,555.00	₱3,117.30	a 12	₱4,217.00	19	35	₱10,890.00
Fermented liquors.....	2,895.64	2,331.88	a 20	4,237.52	46	81	9,465.04
Manufactured tobacco.	459.93	535.59	16	1,402.15	205	162	2,397.67
Cigars.....	1,648.41	1,899.11	15	3,167.90	92	66	6,715.42
Cigarettes.....	9,389.38	20,017.78	113	44,007.74	369	120	73,414.90
Matches, domestic.....	400.00	1,333.33	233	1,766.67	342	32	3,500.00
Total.....	18,349.06	29,234.99	59	58,798.98	220	101	106,383.03

a Decrease.

EXHIBIT 10.

REPORT OF THE AUDITOR FOR THE PHILIPPINE ISLANDS FOR THE FISCAL YEAR ENDED JUNE 30, 1904.

THE GOVERNMENT OF THE PHILIPPINE ISLANDS,
OFFICE OF THE AUDITOR,
Manila, P. I., December 1, 1904.

SIRS: Pursuant to the provisions of rule 38 of Act No. 90 of the Philippine Commission, I have the honor to submit my annual report of the financial transactions of the government of the Philippine Islands for the fiscal year 1904, showing the receipts and disbursements of the several branches of the government, by departments, bureaus, offices, and provinces, together with such deductions from results obtained and suggestions as to future policy as seem to present themselves.

This report embodies all transactions of the said fiscal year which were included in accounts received to November 1, 1904, for the period ended June 30, 1904, and also settlements pertaining to prior fiscal years which were not included in previous annual reports.

Accounts covering transactions pertaining to the fiscal year 1904, but subsequent to June 30, and all suspended items in the accounts of said fiscal year will be considered in subsequent reports according to the fiscal year in which admitted but on account of the fiscal year to which the transaction pertained.

The organization of the office and the personnel of the executive staff at the close of the fiscal year were as follows: Auditor, A. L. Lawshe; deputy auditor, William W. Barre; chief clerk, W. H. Clarke; bookkeeping division, W. Y. Handy, chief; customs division, A. J. Gibson, chief; postal division, William A. Walsh, chief; miscellaneous division, C. H. French, chief; provincial division, O. H. Tibbott, chief; property division, C. A. Smith, chief.

The authorized personnel at the close of the fiscal year was an auditor, a deputy auditor, three clerks of class 3, four clerks of class 4, two clerks of class 5, nine clerks of class 6, seven clerks of class 7, thirteen clerks of class 8, fourteen clerks of class 9, six clerks of class 10, four clerks of Class A, two clerks of Class B, two clerks of Class C, three clerks of Class D, three clerks of Class E, two clerks of Class F, two clerks of Class G, two clerks of Class H, two clerks of Class I, two employees at \$180 per annum each, and two employees at \$150 per annum each.

To provide for contingencies and for the better efficiency of the service it has been the policy of this office to designate a clerk in

each division to familiarize himself with the working detail of the division, in order that he could assume the duties of his chief in the event of resignation or permissible absence. During the fiscal year part of the executive staff availed themselves of their accrued leave to visit the United States. In their absence the work of the respective divisions has been carried on by such clerks with efficiency. Favorable mention should be made of Mr. Ora Miller and Mr. F. W. Thornton, acting chief and acting assistant chief, respectively, of the customs division, and Mr. J. H. Hauck, acting chief of the miscellaneous division. During the illness of the chief of the provincial division and several temporary absences on special work his duties were creditably assumed by Mr. H. W. Gangnuss.

The work of this bureau has been somewhat retarded by reason of the resignation of several of its most experienced examiners, while others of long service have availed themselves of their accrued leaves of absence to visit the United States. This has necessarily added to the work of the remaining employees and resulted in considerable overtime work during several months of the year. The acting auditor wishes to express his appreciation for their cheerful acceptance of the circumstances and efficient work thereunder.

Just before the close of the fiscal year the auditor, Mr. A. L. Lawshe, left for the United States to enjoy the benefits of a well-deserved vacation, and shortly after his arrival there was temporarily appointed a member of the Philippine exposition board at St. Louis, where he is now on duty.

AN ACTING DEPUTY AUDITOR.

Act No. 1064 was passed by the Commission on February 24, 1904, with the approval of the Secretary of War first had, amending Act No. 90, and providing that "the chief clerk shall be acting deputy auditor during the absence of the deputy auditor and when the deputy auditor, by virtue of his office, is performing the duties of the acting auditor. In the absence of both auditor and deputy auditor he shall take charge of the bureau as acting auditor." Under this provision of law, Mr. W. H. Clarke has efficiently performed the duties during such absences.

THE BOOKKEEPING DIVISION.

In addition to the regular duties of the bookkeeping division, as outlined in the auditor's last report, this division during the year assumed the audit of the several special accounts covering premiums on demand and telegraphic drafts sold on the gold-standard fund; interest on balances in government depositories in New York, Washington, and Manila; shipments of Mexican and Spanish-Filipino coin withdrawn from the treasury for recoinage, and all new Philippine coin received from the United States mints at Philadelphia, Pa., and San Francisco, Cal. The Commission, by Act 1088, so amended rules 58, 59, and 60 of Act No. 90 that the insular treasurer is no longer required to prepare the voluminous abstracts which have been submitted with his monthly account-current since the rules and instructions governing the accounting system first became effective. The result of the change has been to greatly reduce the work of handling this account without removing any of

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the safeguards properly pertaining to the accountability of the treasurer. The combined balance of all funds in the hands of the insular treasurer on June 30, 1904, was ₱52,842,238.50 Philippines currency value.

During the fiscal year just closed there were 1,690 separate settlements declared on which warrants were issued, and 1,673 accountable warrants were issued during the same period. There were 9,176 receipts issued by the treasurer during the year, which were double entried and checked against the invoices accompanying the deposits, after which they were presented to the auditor for counter signature. There were 2,430 certificates of settlements received in this division and these were double entried, the first entries being in the personal accounts and the others in the statistical accounts. On the ledgers for fiscal year 1904 accounts are being carried with 210 collecting officers and 320 disbursing officers, some of whom are acting in more than one capacity, making the total number of collection accounts 247 and the total number of disbursing accounts 426. There are also 93 open accounts with provincial treasurers in their capacities of collecting and disbursing officers.

The more comprehensive double-entry system of bookkeeping introduced in the bureau of auditing at the beginning of the fiscal year affords a better analysis of all accounts settled and a greater security for correctness of compilations. This system makes necessary the consideration of all the factors entering into every phase of the accounting, as also the effect of each upon the general result. The set of books provided for this work consists of a journal and general account ledger and such individual ledgers and records as correspond respectively to the various general ledger accounts. The individual ledgers are distributed among several clerks, who must present the balance shown by their individual ledgers, which in turn must agree with the aggregate balance shown by the several general accounts, the likelihood of counterbalancing errors being thus eliminated. The ledgers and records referred to as now in use are as follows:

LEDGERS OF PERSONAL ACCOUNTS OF ALL COLLECTING AND DISBURSING OFFICERS.

In which are posted the complete data from all certificates of settlement furnished by the auditor, separate accounts being kept with each officer throughout the islands handling insular funds in each official capacity in which he may serve.

SETTLEMENT WARRANT LEDGERS.

In which are recorded all settlements of accounts payable as claims, proper ledger entries being made to preserve a complete record of each settlement. Both the personal and settlement warrant ledgers, however, are considered as ledgers of personal accounts, they being merely elaborations of the general ledger, differing only in that the personal ledgers embrace all transactions entering into the individual accounts of collectors and disbursing officers as settled, while the warrant ledgers carry all direct payments made by settlement warrants issued, whether chargeable to personal accounts for balances due collectors and disbursing officers, to expense account for amounts due individuals and firms having no responsibility to

the government, or to the general accounts concerned in payments from special appropriations, as loans to provinces, payments of revenues ceded or refunded to provinces, return of deposits for export duties refundable, revenues refunded on account of excess collections under conditions prescribed by the Commission, invalid money orders, etc.

TRANSFER LEDGERS.

In which are recorded all transfers of funds between officers when certified in their accounts as settled by the auditor, the amounts credited to transferors being charged to transfer account and amount charged to transferees being credited to transfer account.

POSTAL LEDGERS.

In which accounts are kept with all postmasters throughout the islands in the dual capacity of collectors and disbursing officers. Except in the case of deficiencies in the postal revenues, funds for disbursement are not advanced to postmasters upon duly approved requisitions, as is required with the other classes of accounts, they being authorized by law to pay the expenses of their respective offices, under authority of the director of posts, from revenues coming into their hands. When quarterly settlements of postmasters' accounts are declared by the auditor, however, the total revenues and expenditures are treated by the so-called warrant and counter-warrant process, which is a method of simultaneous deposit and withdrawal of the funds in order that the treasury account may properly record the transactions for credit of postal revenues and that a distribution of the expense may be made under the appropriations chargeable therewith.

APPROPRIATION LEDGERS.

In which are recorded to the credit of each department and bureau, by subheadings and in the order observed by the Philippine Commission in the enactment of appropriation bills, all appropriations as made, charges for withdrawals of funds by accountable and settlement warrants issued, and credits for unexpended balances returned to the treasury. So numerous and varied are the adjustments entering into the account of appropriations that it would be all but impossible to correctly keep this account without the positive check against the balances which the double-entry system affords.

REGISTERS OF WARRANTS.

In which are recorded the date, number, and amount of each accountable and settlement warrant issued, as also the date and number covering each certificate of settlement in which accountable warrants have been charged to payees, so that any failure to account for or properly charge warrants as issued may be duly reported to the auditing division concerned, and such accounting be demanded forthwith from the officers to whom advances were made as will be consistent in all respects.

REGISTERS OF WITHDRAWALS FROM TREASURY.

In which are recorded all payments made by the insular treasurer on account of warrants drawn against appropriations duly made or authorized by law to be created.

REGISTERS OF DEPOSITS IN TREASURY.

In which are entered the amounts of all funds for which regular receipts of deposit are issued by the insular treasurer, whether coming into his hands for credit of general revenue or as payments and repayments to appropriations. All credits for deposits made by collecting and disbursing officers as entered in settlements of their accounts are verified by checking the same against the corresponding entries in the account of the insular treasurer, the settlement number covering the account of each officer being noted opposite every item of deposit, so that all amounts outstanding when the certification for the year shall have been completed may be easily and quickly listed for prompt handling by the auditing division concerned.

The following records are also carried in which the so-called statistical accounts are kept, the compilation of a final summary of the work of all settlements declared being obtained therefrom.

REGISTERS OF CUSTOMS RECEIPTS.

In which are credited all revenues derived from customs sources, and in which are charged all payments made for excess revenues coming into the hands of collectors of customs and amounts included in certificates of settlement as having been improperly credited to this account, the net customs revenues being thus determined.

MISCELLANEOUS RECEIPTS LEDGERS.

In which are credited all revenues derived from all sources (other than customs or postal) and in which are charged all payments of excess collections and any items shown in certificates of settlement as having been improperly credited to this account, the net miscellaneous revenues being thus determined.

EXPENDITURES LEDGERS.

In which are charged by bureaus and subheadings of appropriations all payments made and chargeable to expense account and in which are credited all refunds or other items taken up in certificates of settlement for credit of expense account, the net expenditures being thus determined.

For convenience, abstracts of collections and disbursements are in use, which record the aggregate transactions for the month as set forth in all settlements by the auditor covering accounts of collecting and disbursing officers. At the end of each month the distribution of the entries in the abstracts is carried by totals to the journal, collecting and disbursing officers being charged with the total of the debtor side of abstracts (less amount of credit balances) for credit of the several general accounts involved, and in turn credited with the total of creditor side of abstracts (less amount of credit balances) for charge

against the various general accounts involved. Each settlement entered in the abstracts is posted to the individual accounts kept with collectors and disbursing officers, and then to the various general accounts as indicated by the entries in certificates of settlement. The journal is intended to contain each month the entries necessary to record the collection and disbursement abstracts, to record the treasurer's account, to record the appropriation account, and to record any unusual transactions for which provision can not be made in the abstracts, the treasury registers, or appropriation ledgers. Any adjustments between the different general accounts are first made by journal entry, to show the facts in each case, before being treated in the accounts themselves, the general principle being followed that no entries shall reach the ledgers except through the journal.

Preliminary to concluding the work for the month the journal entries are posted to the general ledger, after which the different accounts therein contained are aggregated and a balance sheet of all accounts is prepared, showing the net condition of each general account as a result of all settlements declared and entered in the records of the bookkeeping division from the beginning of the fiscal year to the close of the month in which the balance is drawn.

THE CUSTOMS DIVISION.

There were received in the customs division during the fiscal year 1904, 813 accounts with their respective abstracts and vouchers. Of these, 322 were accounts covering customs collections, involving 32,566 import vouchers, 4,389 export vouchers, and various miscellaneous vouchers for licenses, stamps, etc. Fourteen of the accounts were for miscellaneous receipts and 477 were disbursement accounts, 134 of the latter being on account of previous fiscal years.

In addition to masters' manifests on hand at the beginning of the fiscal year, 1,851 masters' manifests were received, covering entrances and clearances of vessels from foreign ports. All manifests have been liquidated to September 30, 1903, and those for ports other than Manila to April 30, 1904. Nine hundred and forty-one masters' manifests remain unliquidated. For each master's manifest received a collector's manifest is also furnished, and these have been liquidated to the same extent as the masters' manifests.

Warehouse and bond accounts have been received and liquidated to June 30, 1904, from all entry ports where such warehouses for the accommodation of bonded merchandise exist.

The number of accounting customs officers has been reduced, only 8 collectors of customs and 17 coast district inspectors rendering accounts for fiscal year 1904. The number is now being further reduced.

CUSTOMS REVENUES.

The figures for the fiscal year 1904 show a marked reduction in the matter of revenue derived from imports, the largest loss being at the port of Manila; but every port where foreign merchandise is received shows reduction in revenues derived from this source. The total revenues from all customs sources shows a decrease, even taking into account the large increase of more than 1,000,000 pesos, arising from customs collections on Philippine products in the United States.

CUSTOMS REFUNDS.

During the fiscal year 361 applications were received and allowed for refunds on hemp shipped to and consumed in the United States, one application being denied on the ground that more than eighteen months had expired since shipment. The number of bales covered by these allowed applications was 525,004, and the amount refunded ₱1,004,069.97. Two applications were received and granted for refunds on copra shipped to the United States, the amount being 139 tons (₱278); total amount refunded during the fiscal year under act of March 8, ₱1,004,347.97.

In connection with the act of March 8, 1902, the following comparative statement is submitted:

Collections in the Philippine Islands subject to refund under provisions of act of Congress dated March 8, 1902.

Date.	Export duties.	
	Philippines currency.	Mexican currency.
March 8, 1902, to December 31, 1902	₱153,963.96	
July 1, 1902, to June 30, 1903	511,029.50	\$657,602.91
July 1, 1903, to June 30, 1904	802,412.29	113,998.86
Total	1,467,405.75	771,501.77

Collections in the United States on Philippine products payable to the insular treasury.

Date.	United States currency.
March 8, 1902, to June 30, 1903	\$212,723.99
July 1, 1903, to June 30, 1904	549,161.81
Total	761,885.80

Or ₱1,523,771.60 Philippines currency.

It is noted from the preceding table that while the entire revenue collected in the United States on imported Philippine products, from the date of the act of March 8, 1902, became effective, to June 30, 1904, is less than the entire amount of refundable export duties collected in the Philippines for the same period, the figures for the fiscal year 1904 show that the receipts in the United States during the last year exceeded the refundable receipts in the Philippines, thus indicating better financial results in the future for Philippine revenues on account of the act of March 8, 1902.

Certificates of settlement of claims for refund of excess collections of customs revenues, including short shipments, clerical errors and errors of appraisement and classification, remittance of fines and refunds on commercial samples, etc., were granted to the number of 299. These were paid from appropriation created by Act 357. The claims covered by these 299 certificates numbered more than 500, as many as 40 claims being settled on one certificate. The amount of these refunds was ₱49,908.75. Thirty-five refunds on coal were granted under provisions of Acts 355 and 430. Refund was denied on 38 coal consumption certificates for the reason that the persons

making application were not competent to make the necessary declarations. Amount refunded on coal ₱10,838.82.

During the preceding fiscal year the refunds granted numbered only 215, including hemp, excess collection and coal refunds. The extraordinary increase shown above does not indicate increased liability to error in the customs service. It is due (1) to the fact that hemp shipments to the United States, covered by the period for which refunds were made, have increased greatly over the corresponding shipments for the fiscal year 1903, and (2) to the change in the methods of the board of protests and appeals at the Manila custom-house. During the fiscal year that board considered and decided protests that had been outstanding since 1901; the decisions were so far reaching, in consequence of the long delay in their promulgation, that each decision of an old case decided the course to be taken in many subsequent protests, and at this time a protest is usually considered so promptly that a decision is reached before the original entry has reached this office.

Several decisions of the court of customs appeal have added largely to the number of refunds. This branch of the work of the division has been more notably changed during the past fiscal year than any other.

ARRASTRE PLANT.

The arrastre plant of the Manila custom-house was purchased from Carmen & Co. (Limited), and transferred to the customs officers on October 16, 1903. This plant handles merchandise which passes through the custom-house, and consists of a small railway with steam locomotives, cranes, etc. A fixed tonnage rate is charged importers for handling their goods. The revenue derived from this source is deposited as a special fund in the treasury, from which the operating expenses of the plant are paid. The total receipts for the fiscal year 1904 amounted to ₱119,119.87 and pfs. 2,814.85. From this there was expended ₱63,541.83. Of the surplus, ₱22,368.39 has been transferred to the general fund as part reimbursement of the amount expended under Act 897, which appropriated the sum of ₱39,000 for the purchase of the plant.

CUSTOMS MATTERS IN THE MORO PROVINCE.

Settlements for the Moro Province, which was organized July 15, 1903, have been made for each customs port in the same manner as in the past, except that Moro treasury receipts formed the basis of credits in the revenue accounts instead of receipts of the insular treasurer. The total amount of customs collections in the Moro Province (included in the total of customs collections heretofore cited) is ₱220,596.36 and pfs. 2,415. The expenditures for the customs service in the province amount to ₱51,013.01 and pfs. 1,096.23. These expenditures were paid from the insular treasury and charged to the Moro Province. The difference between the total of revenues and expenditures amounts to ₱169,583.35 and pfs. 1,315.77, which amounts are the net revenues from customs in the province, payable to the provincial funds under the provisions of Act 787.

Following is a statement of certificates sold during the fiscal year 1904 by the insular collector of customs, in accordance with Act 702, dated March 27, 1903:

CHINESE REGISTRATION AND LANDING CERTIFICATES.

	Landing certificates.	Certificates of registra- tion.
On hand June 30, 1903.....	19,985	96,731
Sold, July 1, 1903, to June 30, 1904.....	442	46,546
Balance on hand June 30, 1904.....	19,543	50,185

In addition to the customs accounts this division handles those of the bureau of coast guard and transportation.

THE POSTAL DIVISION.

This division is charged with the settlement of the postal accounts of all postmasters in the Philippine Islands, the money-order accounts of postmasters at money-order post-offices, the disbursing account of the bureau of posts, the postage-stamp account of the bureau of posts, and the general money-order account with the United States Government.

The number of post-offices in the Philippine Islands June 30, 1904, was 391, showing an increase of 179 offices during the fiscal year. Sixty-one post-offices are authorized to issue and pay money orders. There have been received and settled 3,181 monthly postal accounts and 2,155 weekly money-order statements pertaining to the fiscal year 1904; also from the Auditor for the Post-Office Department, Washington, D. C., 12 statements of Philippine money orders paid in the United States, together with 34,587 vouchers, aggregating \$1,447,077.79.

Of the 212 postmasters in the service July 1, 1903, 185 were compensated on the basis of a percentage of the gross receipts. This system of compensation was found to be decidedly unsatisfactory, as it offered a constant temptation to postmasters to improperly increase the sale of stamps beyond the legitimate and normal requirements of their respective localities, resulting in a reduction of postal revenues at offices whose postmasters received fixed salaries. To overcome this difficulty, the director of posts, acting within the authority vested in him, assigned fixed salaries to all postmasters. This readjustment of compensation was practically completed during the first quarter of the fiscal year.

Act No. 1191, providing for quarterly instead of monthly postal accounts, effective as of July 1, 1904, will greatly simplify the work of this division in future.

THE MISCELLANEOUS DIVISION.

This division is the largest in this bureau in number of clerks employed and in the variety and number of accounts received for settlement. It audits practically all insular revenue and disbursing

accounts not distinctive in character, such as for the customs, postal, and provincial services, and enumerated as follows:

The Philippine Commission, executive bureau, civil-service board, insular purchasing agent, board of health, quarantine service, mining bureau, weather bureau, bureau of public lands, bureau of agriculture, ethnological survey, bureau of government laboratories, Philippine civil hospital, civil sanitarium at Benguet, signal service, Philippines constabulary, bureau of prisons, bureau of coast and geodetic survey, bureau of engineering, bureau of the insular treasurer, bureau of the insular auditor, insular cold storage and ice plant, bureau of justice, bureau of education, bureau of public printing, bureau of archives, American Circulating Library, Official Gazette, exposition board, bureau of architecture, Benguet road, city of Manila, accounts of the superintendents of the several government buildings, and the insular accounts of the chief quartermaster, the chief commissary, and the chief engineer of the Division of the Philippines, which include the improvement of the port of Manila.

The following statement will show the work accomplished during the fiscal year 1904:

Unaudited monthly accounts on hand June 30, 1903.....	2,050
Monthly accounts received during the fiscal year.....	5,351
Monthly accounts audited during the fiscal year.....	5,247
Unaudited monthly accounts on hand June 30, 1904.....	2,154

In addition to the foregoing, 753 special and supplemental settlements were made during the period July 1, 1903, to June 30, 1904.

THE PROVINCIAL DIVISION.

This division receives for audit and settlement the provincial-municipal, internal revenue-forestry, and internal revenue-ordinary accounts of the 45 provincial treasurers, which include the five district treasurers of Moro Province, the internal revenue-forestry collection account of the city assessor and collector of the city of Manila, the accounts of the disbursing officer of the forestry bureau and internal-revenue bureau, and the internal-revenue stamp accounts of the collector of internal revenue and the insular treasurer.

During the past year monthly property returns of Congressional relief-fund rice have also been received in this division from nearly every province in the islands and examined in connection with the provincial-municipal accounts of provincial treasurers, for under the provisions of Executive Order No. 64, series of 1903, the money value of rice sold or exchanged for services and the expenditure thereof is taken up and accounted for in the provincial-municipal accounts.

In addition to the above, this division received monthly reports from municipal treasurers of their cash transactions, monthly reports of the committees designated under the provisions of Acts Nos. 753 and 1233 to count the cash of provincial treasurers, and monthly deposit and trust-fund accounts of provincial treasurers. All of these reports are examined and checked in connection with the settlement of the provincial-municipal accounts.

Beginning with the fiscal year 1904 the provincial and municipal revenue account and the provincial disbursing account, heretofore rendered and settled separately, were combined into one account. This change has proved very satisfactory and a saving of time not only to this office but also to the accounting officers.

The number of accounts settled and certified for the fiscal year 1904 was as follows:

Provincial-municipal.....	646
Forestry.....	529
Miscellaneous revenues and disbursing accounts.....	62
Total.....	1, 237

INTERNAL-REVENUE LAW—ACT 1189.

This law went into operation on August 1, 1904, and taxes on the following articles became due and were collectable from and after that date: Matches, cigars and cigarettes, manufactured tobacco, fermented liquors, distilled spirits.

Taxes on the following will become due and collectable from and after January 1, 1905: Certain licenses, banks and bankers, stamp taxes, poll and cedula personal tax, insurance companies, forestry products, mining concessions granted prior to April 11, 1899, business, manufactures, and occupation.

The industrial, cedula, and stamp taxes now collected as joint provincial and municipal revenue, the forestry tax, collected as an insular revenue and after deducting the expenses of the forestry bureau returnable pro rata to the provinces from which the forestry products were taken, together with certain licenses in the city of Manila and in the municipalities of the several provinces, are repealed, effective from and after January 1, 1905.

The taxes assessed and collected by virtue of the act are distributed as follows:

1. To municipalities in which collected: License taxes on theaters, museums, cockpits, concert halls, pawnbrokers, circuses, and billiard rooms.
2. To provinces and municipalities jointly—poll or cedula tax.
3. The collections from all other sources accrue to the insular treasury. Of this amount 75 per cent is to be devoted wholly to the insular government, 25 per cent to be returned to the provincial treasury, of which sum 10 per cent is to be used for general provincial purposes and 15 per cent returned to the municipalities, of which one-third is to be devoted to municipal school purposes and the balance to general municipal purposes.

The refunds to the provincial and municipal governments, and the city of Manila, which for this purpose shall be deemed as a municipality and as a province, shall be in proportion to their respective populations, and will be made quarterly by settlement warrants.

THE PROPERTY DIVISION.

This division is charged with the settlement of property returns and all matters coming within the administrative jurisdiction of the auditor under the requirements of Act No. 215, which provides that every officer or agent who has public property in his charge shall be deemed to be responsible for the value of same until relieved from such responsibility pursuant to the provisions of the act.

The returns on hand July 1, 1903, numbered 1,203, and 1,495 were received during the fiscal year. Of these, 2,146 have been examined and 552 remain unaudited at the close of the year.

Effective February 15, 1904, a new system of property accountability by the insular purchasing agent was inaugurated to obviate

the necessity of rendering the voluminous returns formerly required, which entail several months' work in checking each return. This system requires the insular purchasing agent to keep certain stock books wherein each article and its purchase price is entered, and the price at which it is sold to the bureau or province, the 10 per cent on cost price being taken up in a separate column. The stock books are balanced at the end of each quarter, and a list of the property on hand submitted for the purpose of checking the stock in warehouse as shown by the difference between purchase and sales vouchers.

Under date of September 23, 1903, Act No. 909 was passed, amending Act No. 215, and authorizing the civil governor, in his discretion, to order property sold at private sale subject to such restrictions as may be imposed in each particular case. This procedure protects the interests of the government, as the accountable or other officer authorized to conduct the sale may be allowed to solicit bids, sealed or otherwise, for the property ordered sold, and the best prices are obtained by reason of the competitive features. The objection to sales at public auction, by reason of bidders not competing under mutual agreement, is thereby obviated.

ADMINISTRATIVE AND FIELD EXAMINATION OF ACCOUNTS.

The field examinations of the accounts of officers located in the city of Manila, who are authorized to collect and disburse public funds, are made by this office under the provisions of Act No. 490. The results obtained from these inspections during the past year have been very satisfactory, Mr. A. M. Easthagen, city examiner, devoting his entire time to the work of field examinations for the city of Manila. The accounts of fifty-three officers serving in their several capacities have been examined during the past fiscal year; in some special instances the accountability covered a period of a little more than one month; the average, however, has been about six months. Only in special cases have field examinations been conducted by this office outside of Manila, owing to the fact that inspectors and examiners are now authorized for practically all branches of the insular service.

The copies of reports of the examiners of the insular treasury bureau which are submitted to this office have been of considerable assistance in determining the correct amount of the revenue with which a provincial treasurer should be charged.

The accounts received in this office from the officers receiving and disbursing government funds show a very marked improvement over the accounts rendered for previous fiscal years, and due credit should be given to the vigilant, energetic, and painstaking examiners, special agents, and inspectors of the provincial, customs, postal, and constabulary services for their part in bringing about this improved condition of affairs.

THE NEW PHILIPPINES CURRENCY.

During the fiscal year 1903 two additional appropriations, amounting to ₱5,000,000 Philippines currency were made and withdrawn for the purchase of bullion and alloy for coinage into the new Philippines currency authorized by the United States Congress. The sum of ₱2,600,000 Philippines currency was also placed to the credit of the appropriation account and withdrawn for the same purpose in

accordance with the following resolution of the Commission of September 18, 1903:

Whereas the act of Congress approved March second, nineteen hundred and three, authorizes the government of the Philippine Islands to appropriate money from its current funds or from the proceeds of sales of certificates of indebtedness for the purchase of metal for the coinage of the new Philippines currency; and

Whereas the Commission has already appropriated from its current funds the aggregate sum of five million five hundred thousand dollars in United States currency for the purchase of bullion and alloy for the coinage of silver pesos, subsidiary and minor coins, which sum, under the provisions of section nine of the act of Congress of March second, nineteen hundred and three, "shall be reimbursed from the coinage under said sections:" Now, therefore, be it

Resolved, That it is the sense of the Commission that further appropriations for the purchase of silver and alloy for coinage are not necessary, but that under the authority of section nine of the act named the auditor is authorized to reimburse the appropriations already made by the United States currency value of the coinage from said bullion already received, and that of the said sum of five million five hundred thousand dollars in United States currency heretofore appropriated three million dollars may constitute a fixed reimbursable appropriation or continuing credit for the purchase of bullion and alloy, the Commission having the right at any time to reduce such fixed appropriation or continuing credit to a smaller sum if in its judgment such action is deemed advisable.

Resolved further, That any surplus or gain which may arise after deducting the cost of mintage, insurance, and transportation on bullion and coins shall be carried to a fund to be known as "seigniorage."

Pursuant to the aforementioned resolution and in accordance with the provisions of Act No. 970 of the Commission, the appropriations as previously made were reimbursed for the ₱7,600,000 stated above, as also the ₱6,000,000 mentioned on page 19 of last year's report by the withdrawal of these amounts being charged against the gold, standard fund for credit of the general fund in the treasury available for appropriation. Mexican and Spanish-Filipino currency to the value of ₱6,920,843.30 was also withdrawn from the insular treasury during the fiscal year and forwarded to the United States mint at San Francisco for recoinage, the same being charged to the gold-standard fund in Philippine currency equivalent at the legal ratio in effect at the time of withdrawal. These shipments were made in accordance with the following extract from a resolution of the Philippine Commission dated October 26, 1903:

"Be it resolved, That the treasurer of the Philippine Islands is authorized and directed to transmit to the mint at San Francisco for recoinage into Philippine pesos and subsidiary and minor coins all the Spanish-Filipino half pesos and other subsidiary and minor Spanish-Filipino coins now in the treasury, and to make the same shipment as to such local coins as subsequently come into his possession in convenient sums as may accrue from time to time.

At the close of the fiscal year, 19,841,494.56 pesos had been received and taken into the account of the treasurer. To November 1, a total of 24,939,769.56 pesos of the new currency, including subsidiary coinage, had been received and taken into the treasurer's account. It is impossible at this time to state the seigniorage exclusive of mintage charges, insurance, and transportation, as complete reports covering payments at Washington have not been received.

CERTIFICATES OF INDEBTEDNESS.

The issue of certificates of indebtedness referred to on pages 21 and 22 of the last annual report fell due May 1, 1904, and were retired on that date. Under authority of section 2 of the act of Congress of March 2, 1903, authorizing the issue of certificates of indebtedness for the purpose of maintaining the parity of the new

Philippines currency, a second issue of these certificates was placed on sale in the United States pursuant to the additional provisions of Act No. 792 of the Philippine Commission.

The following report of the Secretary of War relative to this bond issue is herewith submitted:

WAR DEPARTMENT,
BUREAU OF INSULAR AFFAIRS,
Washington D. C., September 1, 1903.

SIR: In accordance with the provisions of section 2 of enactment No. 792 of the Philippine Commission, authorizing the issue of \$3,000,000 of certificates of indebtedness under and by authority of section 6 of the act of Congress entitled "An act relating to currency for the Philippine Islands," approved March 2, 1903, said section reading as follows:

"Sec. 2. The Secretary of War shall report to the auditor and treasurer of the Philippine Islands the amount of the certificates of indebtedness, the issue of which is authorized in the previous section, which he shall issue under the authority thereof, the numbers and denominations thereof, the rate of interest to be paid thereon, the time when payable, the premium, if any, at which they were issued, and the total proceeds therefrom; and such facts shall be made a matter of record in the offices of the auditor and treasurer of the Philippine Islands. The certificates to be issued under this act, shall be numbered consecutively, the first certificate thereof bearing the number next after that of the last numbered certificate issued under act numbered six hundred and ninety-six."

By direction of the Secretary, I have the honor to render the following report:

In pursuance of the authority contained in section 1 of this enactment, the Secretary of the Treasury was requested to submit a form of a temporary certificate of indebtedness that would meet the requirements, which form was immediately submitted by him with the statement that it embodied the terms set forth in section 6 of the enactment of Congress providing for a standard of value in the Philippine Islands.

With a view to placing the certificates of indebtedness to the best advantage, the matter was taken up with the Secretary of the Treasury, who authorized the statement that they would be accepted by the Treasury Department as security for deposits of the public money of the United States in national banks whenever further deposits were made, and that they could at any time be substituted for United States bonds now held as security for deposit, on condition that the Government bonds thus released be used as security for additional bank-note circulation.

On July 9, the Bureau of Insular Affairs issued a circular which was widely circulated through the mails and in the public press inviting subscriptions for \$3,000,000 of the certificates of indebtedness to be issued in coupon form of the denomination of \$1,000, dated September 1, 1903, with interest at the rate of 4 per cent per annum, payable quarterly, such certificates to be redeemable in one year after date of issue in gold coin of the United States at the office of the Guaranty Trust Company of New York.

The bids for subscription for these temporary certificates of indebtedness were opened in the office of the Chief of the Bureau of Insular Affairs on the afternoon of August 25, 1903, with the understanding, as set forth in the circular referred to above, that the award would be made to the bidder or bidders most advantageous to the government of the Philippine Islands, as a result of which the entire award was made to the firm of Harvey Fisk & Sons, 29 Nassau street, New York, whose bid for the same was 102.24 per one hundred.

On account of the exorbitant charges demanded by the express company, the certificates of indebtedness were conveyed to New York by special messengers of the Department, at considerable saving, and placed in the custody of the Guaranty Trust Company of New York. These certificates were issued in the denomination of \$1,000, dated September 1, 1903, numbered from 3001 to 6000 inclusive, each bearing three coupons, dated December 1, 1903, March 1, 1904, and June 1, 1904, for interest at the rate of 4 per cent per annum, payable quarterly, and due on the dates above shown, with interest due for the last quarter with the principal after maturity and upon presentation of the certificate.

On September 1, 1903, these certificates of indebtedness as described above were placed in the hands of the firm of Harvey Fisk & Sons, the successful bidders, by the Guaranty Trust Company, the said Harvey Fisk & Sons, in consideration thereof and in accordance with their bid depositing with the Guaranty Trust Company the sum of \$3,067,200, which was duly accepted and placed to the credit of the treasurer of the Philippine Islands.

From the second paragraph above it will be seen that by December 1, it will become necessary to have available, by appropriation of the Philippine Commission, the sum of \$30,000 for the use of the Guaranty Trust Company of New York, in meeting the interest due for the first quarter ending on that date on these temporary certificates of indebtedness, and that a like amount for the same purpose will become necessary on March 1, 1904, and on June 1, 1904, and that on September 1, 1904, the face value and interest for the last

quarter on these certificates amounting to \$3,030,000 will also become necessary to permit of the retirement of this issue of certificates.

Under an agreement with the Guaranty Trust Company of New York, the proceeds resulting from this sale of certificates of indebtedness will draw interest at the rate of 3½ per cent per annum on daily balances.

Very respectfully,

CLARENCE R. EDWARDS,
Colonel, U. S. Army, Chief of Bureau.

Inasmuch as the insular government receives 3½ per cent on its deposit in New York it is evident that with the premium realized on these certificates of indebtedness and the interest on the deposit of the proceeds, this loan will be without expense to the insular government.

SILVER-CERTIFICATES AND SILVER-CERTIFICATES REDEMPTION FUND.

By authority of the act of Congress of March 21, 1903, and pursuant to the additional provisions of Act No. 938 of the Philippine Commission, the printing of the new silver certificates was begun by the Bureau of Engraving and Printing at Washington. The first installment of these certificates was taken up by the treasurer of the Philippine Islands on October 6, 1903. This fund is not a part of the general revenue account of the treasurer and a separate register for the same has been provided as required by law, which shows the denominations, serial numbers, and amounts of certificates received, issued, and redeemed by the treasurer, and he is kept charged with all coin received in lieu of certificates issued, so that the balance of certificates on hand plus the coin in reserve for redemption must at all times equal the total of certificates originally received.

To November 1, 15,030,000 pesos of the new silver certificates had been taken into account by the treasurer and a total of 7,230,000 pesos issued by him for coin deposited, leaving a balance on hand that date in silver certificates of 7,800,000 pesos.

FRIAR-LANDS FUND.

Under authority of sections 63, 64, and 65 of the act of Congress of July 1, 1902, the Philippine government was empowered to issue bonds for the purpose of providing funds to acquire by purchase certain lands in the Philippine Islands generally known as the friar lands. An issue of these bonds was placed on sale in the United States in accordance with the additional provisions of Act No. 1034 of the Commission with most gratifying results.

The following report of the Secretary of War relative to this bond issue is herewith submitted:

WAR DEPARTMENT,
BUREAU OF INSULAR AFFAIRS,
Washington, February 19, 1904.

SIR: In accordance with the provisions of section 3 of enactment No. 1034 of the Philippine Commission authorizing the issue of bonds of the government of the Philippine Islands to the amount of \$7,237,000 gold coin of the United States of the present standard value, for the purpose of acquiring funds for the payment of the purchase price of certain large tracts of land in the Philippine Islands, commonly known as the friar lands, pursuant to the provisions of sections 63, 64, and 65 of the act of Congress entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," approved July 1, 1902, which enactment of the Commission was enacted January 6, 1904, by direction of the Secretary of War, I have the honor to render the following report:

Prior to the enactment above mentioned, on the strength of cable communication with Manila, the Secretary of the Treasury was requested to have the Chief of the Bureau of

Engraving and Printing confer with this Bureau upon the preparation and engraving of bonds authorized in the Philippine government act, and upon receipt of the cabled report of the passage of this act, such draft was made consistent therewith.

On account of the length of time necessary to prepare the properly engraved bond, it was determined to first issue a temporary bond in printed form, to be later replaced with the formal engraved bond.

With a view to placing the certificates of indebtedness to the best advantage, the Secretary of the Treasury was asked to authorize an announcement in regard to the same, similar to the announcement authorized in the case of the temporary certificates of indebtedness, to the effect that "these land-purchase bonds will be accepted at par as security for United States bank deposits whenever further deposits may be made, and may at any time be substituted for Government bonds now held as security for deposit, on condition that the Government bonds thus released be used as security for additional circulation whenever, in the judgment of the Treasury Department, an increase of national-bank circulation is desirable."

In reply thereto the Secretary of the Treasury authorized the following statement in its stead:

"The Secretary of the Treasury authorizes the statement that the Philippine land-purchase bonds will be accepted at par as security for deposits of public money, should further deposits be made; and may be substituted for Government bonds now held as security for deposits on condition that the Government bonds thus released be used as security for additional circulation whenever, in the judgment of the Secretary of the Treasury, it is desirable to stimulate an increase in national-bank circulation."

The Attorney-General was advised of the proposed issue of land-purchase bonds and furnished with a draft of the proposed bond, with request that he pass upon the legality of the issue in the form of the bond.

Further, in order to avoid tying the Philippine government up in any particular banking concern and to assure the registration being conducted by experts, the question of having the registration of this bond performed by the Register of the Treasury of the United States was taken up and determined to be feasible and practicable.

The opinion of the Attorney-General that the issue of bonds and the form of the bond proposed by the Philippine government for the purpose of securing funds with which to purchase the friar lands are in strict conformity with the act of Congress authorizing bonds for that purpose, and are legal in all respects, and his opinion that there exists no legal objection to the Register of the Treasury of the United States registering and recording the bonds issued by the Philippine government to secure funds with which to purchase the friar lands, and also that there is no legal objection to the Treasurer of the United States receiving from the Philippine government the money due as principal and interest on said bonds and distributing the same to the holders of the securities, are appended hereto as Exhibit A, and form a part of this report.

After further preliminary arrangement and consultation, the issue of bonds was agreed upon and announced in the form as set forth in the accompanying Exhibit B, which is a part of this report.

As set forth in this circular announcement, the bids were opened in this office on January 11, in the presence of many of the most responsible bidders and others.

I append hereto as Exhibit C, forming a part of this report, a transcript of the names of all bidders, the amount desired, and the premium offered.

After careful consideration and estimation of these bids, it was found that the joint bid of the National City Bank, of New York, Harvey Fisk & Sons, and Fisk & Robinson, who agreed to accept the entire issue of \$7,000,000 at 107.577, was most advantageous to the government of the Philippine Islands, and to them was accordingly awarded the entire issue.

As set forth in the circular announcement of this issue, the bonds were to be delivered to the successful bidder by the assistant treasurer of the United States at New York on February 1, upon payment of the amount required by the figures of the successful bid.

On account of the fact that the funds resulting from this issue would probably remain subject to the orders of the Philippine government for several months, the question of the utilization of this money in the meantime was taken up, and after agreement with the Guaranty Trust Company, of New York, and the International Banking Corporation, of New York, depositaries of the Philippine government in the United States, it was decided to divide the deposit equally between these two corporations, both agreeing to allow interest at the rate of 3½ per cent per annum on daily balances while the money remained on deposit with them.

The check for \$150,000 which accompanied the bid of the successful syndicate bidders was immediately placed on deposit with the Guaranty Trust Company, of New York, to the credit of the treasurer of the Philippine Islands, "Philippine land-purchase bonds account."

The proceeds of the issue of \$7,000,000 at the bid of 107.577 amounted to \$7,530,390.

The bonds were sent to New York by special representatives of this Bureau and delivered to the assistant treasurer of the United States and his formal receipt obtained.

On February 1, upon receipt by the assistant treasurer of the proceeds of the issue (not counting the \$150,000 already deposited with the Guaranty Trust Company, of New York)

which amounted to \$7,380,390, the bonds were delivered by him to the successful syndicate bidders and the proceeds deposited by him—\$3,615,195, with the Guaranty Trust Company, of New York, and \$3,765,195 with the International Banking Corporation, of New York, both to the credit of the treasurer of the Philippine Islands, "Philippine land-purchase bonds account."

I append hereto as Exhibit D, to form a part of this report, a letter of this Bureau to the Banking Corporation above named, advising them of the conditions of this deposit, which have been accepted by them.

I am in receipt of information from the International Banking Corporation to the effect that the funds in its possession will be carried upon the books of the Washington branch.

Under authority contained in section 1 of the act of the Philippine Commission authorizing this issue of bonds, that the same should be in registered form in the denomination of \$1,000 and \$10,000 in proportion to suit the purchaser or purchasers thereof, after consultation and agreement with the successful syndicate bidders the issue was prepared in the denominations and bearing the numbers and names set forth in the attached receipt given this Bureau by the assistant treasurer of the United States at New York upon delivery of the bonds, which receipt is marked "Exhibit E" and forms a part of this report.

Very respectfully,

CLARENCE R. EDWARDS,
Colonel, U. S. Army, Chief of Bureau.

The AUDITOR OF THE PHILIPPINE ISLANDS.

The following table shows the interest received, including premiums on bonds, and the interest paid by the insular government during the fiscal year on account of the several funds as carried in the general revenue account of the insular treasurer:

Statement of interest received and paid by the insular government during the fiscal year 1904

Character of item.	Debit.	Credit.
Expended for interest on first and second series of certificates of indebtedness (gold-standard fund).....	P420,000.00	.....
Expended for interest on friar-land bonds.....	140,000.00	.....
Interest received on gold-standard fund deposits and premium on certificates of indebtedness issued.....		P330,795.44
Interest received on friar-land fund deposits and premium on issue of bonds.....		1,147,226.80
Interest received on Congressional relief fund deposits.....		72,058.40
Interest received on general fund deposits.....		31,853.02
Amount received to June 30, 1904, in excess of amount expended.....	1,021,933.66	.....
Total.....	1,581,933.66	1,581,933.66

Statement of premium and interest received on bond issues and interest paid and due thereon to June 30, 1904.

Character of item.	Debit.	Credit.
Interest paid on first and second series of certificates of indebtedness to June 1, 1904.....	P420,000.00	
Interest due on June 30, 1904.....	60,000.00	
	P480,000.00	
Interest paid on friar-land bonds to May 1, 1904.....	140,000.00	
Interest due on friar-land bonds on June 30, 1904.....	93,333.33	
	233,333.33	
Premium on first series of certificates of indebtedness, issued in the fiscal year 1903.....		P150,780.00
Premium on second series of certificates of indebtedness, issued in the fiscal year 1904.....		134,400.00
Premium on reissue of first series of certificates of indebtedness, issued in the fiscal year 1904.....		70,860.00
Interest received on deposits of certificates of indebtedness funds.....		125,535.44
		P481,575.44
Premium on friar-land bonds.....		1,060,780.00
Interest received on deposits of friar-land funds.....		86,446.80
		1,147,226.80
Amount received to June 30, 1904, in excess of amount expended.....	915,468.91	.....
Total.....	1,628,802.24	1,628,802.24

CHANGES IN RATIO BETWEEN MEXICAN OR SPANISH-FILIPINO CURRENCY AND PHILIPPINE CURRENCY.

At the beginning of the fiscal year 1904, or June 30, 1903, the ratio between Mexican and United States currency was \$2.45 of the former to \$1 of the latter.

Effective July 18, 1903, the ratio between Mexican and Philippine currency was fixed at \$1.19 of the former to \$1 of the latter; August 1, 1903, 1.15 to 1; January 1, 1904, 1.12 to 1; January 29, 1904, 1.10 to 1; April 11, 1904, 1.13 to 1; May 23, 1904, 1.10 to 1, which continued to be the ratio to June 30, 1904, the end of the fiscal year.

EXCESSIVE APPROPRIATIONS.

As a result of closer calculations on the part of the respective chiefs of bureaus and the careful scrutiny given their estimates by the Commission preliminary to the passage of appropriating acts, the past year shows a marked reduction in the amount of moneys appropriated and not actually required to meet outstanding obligations. It is apparent that the funds of one fiscal year must be carried forward to the next to provide payment for salaries undrawn, bills not presented for payment, and supplies ordered but not delivered, although every effort has been made to close all transactions within the year. This office has endeavored as far as possible to restore to the general fund all moneys over and above these actual needs, and under the provisions of Act No. 729 the transactions during the year have been as follows:

Item.	Fiscal year—		
	1902.	1903.	1904.
Turned back to general revenues.....	₱285,097.51	₱2,378,154.45	₱421,031.12
Restored to credit of appropriation account under section 3, Act No. 729.....	20,263.39	237,346.61	.....
Net amount turned back.....	264,834.12	2,140,807.84	421,031.12

The above amounts are stated in Philippines currency. It is evident that a portion of the appropriations undrawn June 30, 1904, will not be required for outstanding obligations of that year, and to this end the heads of bureaus have been requested to certify the amount to be retained. All remaining sums will be immediately turned back as provided in the act.

APPROPRIATED MONEYS UNDRAWN JUNE 30, 1904.

The appropriation ledgers of this office on June 30, 1904, showed the following amounts of appropriated moneys to the credit of the various bureaus and offices of the insular government for the fiscal year 1904, all amounts undrawn relating to fiscal year 1903 and former years having been previously turned back to the general fund:

Executive:	
Executive bureau.....	₱39,980.70
Philippine civil-service board.....	1,300.02
Bureau of the insular purchasing agent.....	51,463.20
Purchase of supplies.....	23,233.92

Department of the interior:	
Board of health for the Philippines.....	P 228, 840. 42
Quarantine service.....	104, 868. 81
Forestry bureau.....	24, 574. 85
Mining bureau.....	1, 759. 49
Philippine weather bureau.....	6, 307. 04
Bureau of public lands.....	3, 133. 42
Bureau of agriculture.....	69, 220. 98
Bureau of non-Christian tribes.....	3, 314. 40
Bureau of government laboratories.....	23, 794. 61
Philippine Civil Hospital.....	6, 580. 98
Civil Sanitarium, Benguet.....	4, 814. 98
Department of commerce and police:	
Bureau of post-offices.....	13, 410. 51
Post-office service.....	211, 640. 11
Invalid money orders.....	3, 184. 08
Signal service.....	994. 79
Bureau of Philippines constabulary.....	112, 083. 07
Exposition battalion to St. Louis.....	23, 206. 82
Commissary stores.....	53, 969. 52
Bureau of prisons.....	163, 530. 84
Bureau of coast guard and transportation.....	502, 798. 38
Bureau of coast and geodetic survey.....	128, 634. 64
Bureau of engineering.....	11, 007. 72
Department of finance and justice:	
Bureau of the insular treasurer.....	45, 386. 56
Bureau of the insular auditor.....	4, 708. 43
Bureau of customs and immigration.....	52, 445. 61
Refundable export duties.....	841, 204. 90
Surplus, section 203, Act 355.....	10, 319. 52
Overtime service, customs employees.....	2, 320. 01
Services of officers, private bonded warehouses.....	38. 26
Arrastre plant.....	11, 466. 44
Bureau of internal revenues.....	416. 20
Insular cold storage and ice plant.....	62, 316. 38
Bureau of justice.....	38, 932. 78
Department of public instruction:	
Bureau of education.....	577, 934. 16
Bureau of printing.....	84, 209. 76
Bureau of architecture.....	115, 118. 34
Public works and permanent improvements.....	522, 793. 55
Bureau of archives.....	1, 764. 41
American Circulating Library of Manila.....	4, 080. 64
Census bureau.....	189, 633. 49
Official Gazette.....	837. 37
Unassigned:	
Chief quartermaster, Division of the Philippines.....	1, 542. 65
Provincial government—	
Lepanto-Bontoc.....	10, 500. 00
Mindoro.....	6, 030. 00
Moro.....	11, 562. 00
Province of Rizal, section 5 (g), Act 436.....	673. 89
Survey of wagon road, Naguilian to Baguio.....	806. 56
Benguet wagon road.....	3, 269. 51
Roads and bridges, Act 1.....	17, 236. 09
Harbor improvements—	
Port of Manila.....	148, 596. 64
Port of Cebu.....	700, 000. 00
Port of Iloilo.....	300, 000. 00
St. Louis exhibit.....	67, 141. 80
Custodian, Santa Potenciana Building.....	1, 514. 50
Superintendent, Intendencia Building.....	1, 861. 32
Old transportation claims.....	1, 519. 41
Insular salary and expense fund.....	55, 856. 60
Outstanding liabilities.....	583. 69
War emergency rice fund.....	2, 493. 08
Custodian, Fortin Building.....	200. 00

Unassigned—Continued.

Superintendent, Oriente Building.....	P1,600.00
Provincial government of Zambales.....	1,212.00
Loan to province of Oriental Negros.....	20,000.00
General purposes of Act 1120, known as friar-lands act.....	10,000.00
Rizal monument fund.....	30,000.00
Disbursing agent at Washington, D. C.....	4,440.00
Education of Filipinos in the United States.....	24,356.52

City of Manila:

Municipal board.....	3,918.69
Department of engineering and public works.....	108,222.19
Department of assessments and collections.....	3,758.02
Fire department.....	55,591.63
Law department.....	897.90
Department of police.....	28,551.87
Department of city schools.....	8,055.74
Salary and expense fund.....	65,641.36
Public works and permanent improvements.....	503,886.39

Total..... 6,585,095.36

Outstanding liabilities (amounts expressed in Mexican and Spanish-Filipino currency)..... \$6,085.48

PUBLIC WORKS AND PERMANENT IMPROVEMENTS.

An analysis of the expenditures of the insular government, the city of Manila, and from the Congressional relief fund shows that a very large percentage of the total disbursements were for public works or improvements of a permanent character.

The items of this character have been segregated and are here stated:

Item.	Fiscal year 1904.	Prior fiscal years.	Total.
Insular:			
Insular purchasing agent, construction of lorchas....	P45,000.00		P45,000.00
Board of health, public works, including leper colony.....	28,457.75		28,457.75
Bureau of engineering, public works, including temporary wharf at Cebu.....	47,211.95	P10,581.50	57,793.45
Bureau of coast guard and transportation, permanent improvements, light-house service.....	68,522.52		68,522.52
Construction of vessels.....	267,536.71	282,967.37	550,504.08
Railway and machine shop, Marine Island.....	48,386.14		48,386.14
Bureau of coast and geodetic survey, construction of vessels.....	26,620.00	1,971.84	28,591.84
Bureau of architecture, public works.....	603,413.86	282,651.35	886,065.21
Engineer, division of the Philippines—			
Public works.....	10,768.28	798.82	11,567.10
Roads and bridges.....	33,351.92	12,155.29	45,507.21
Map.....	315.53		315.53
Harbor improvements, Manila.....	2,624,075.66		2,624,075.66
Pasig River, Walla.....	6,304.69		6,304.69
Dredging Santa Cruz estero.....	1,505.70		1,505.70
Unassigned service—			
Benguet road.....	913,579.70	5,104.18	918,773.88
Naguilian road.....	8,759.90		8,759.90
Harbor at Cebu.....	831.30		831.30
Harbor at Iloilo.....	902.90		902.90
Calbayog pier.....	27,837.58	39.97	27,877.55
Wharf at Jolo.....	4,468.21	2,532.73	7,000.94
Wharf at Siasi.....	621.93		621.93
Wharf at Iligan.....	46.36		46.36
Purchase of land in Malate.....	44,870.85		44,870.85
Purchase of Oriente Hotel.....	613,636.37		613,636.37
Total.....	5,427,025.81	598,893.05	6,025,918.86
City of Manila: Department of engineering and public works, public works including pail system.....	1,798,281.83	159,779.01	1,958,060.84
Congressional relief fund: Public works as itemized in statement of fund.....	1,116,302.52		1,116,302.52
Total expenditures.....	8,341,610.16	758,672.06	9,100,282.22

THE INSULAR SALARY AND EXPENSE FUND.

Prior to this fiscal year disbursements from this appropriation were largely confined to payment of traveling expenses and half salaries of employees of the civil service from the United States, traveling expenses and salaries while taking or changing station, etc., and such cases as were not provided for by the appropriations for the bureaus concerned. The provisions of Acts 643 and 697 made this appropriation to a large extent a reimbursable one, and under the provisions of the last-named act the sum of ₱20,830 was collected and deposited as a refund to this appropriation in the past fiscal year, but the corresponding disbursements were not made until this fiscal year. The excess of refunds over disbursements in the case of that act is represented by outstanding claims for transportation furnished by the different companies.

Refunds for transportation furnished under the provisions of Act 643 are reimbursable to the payers at the end of their contract of service, and these refunds must therefore be really considered as a trust fund. Of the collections under Act 643 the sum of ₱29,010.42 was deposited with the disbursing agent of Philippine revenues at Washington by the employees. The balance of the refunds under this act, ₱37,543.77, were deducted from the salaries of such employees and deposited in the insular treasury. In addition to the cost of their transportation, they are entitled to reimbursement for their traveling expenses upon the conclusion of their contracts, and in this connection the acting auditor recommends that an allowance be fixed upon a mileage basis in lieu of such traveling expenses.

Under the provisions of Act 1049, which authorized the civil governor in his discretion to commute two or more years' leave of absence, the sum of ₱54,688.11 was disbursed, of which sum ₱18,435.88 was refunded from the appropriations of the bureaus concerned, the balance pertaining to the next fiscal year. The practice of charging these expenditures first to insular salary and expense fund and then reimbursing that appropriation from the appropriations of the bureaus concerned ceased with the passage of Act 1225, which authorized the civil governor or proper head of department to commute leaves of absence directly from the appropriation from which the salaries should properly be paid, only excepting cases where two fiscal years are involved.

DEFALCATIONS, EMBEZZLEMENTS, AND SHORTAGES.

One of the most pleasing features of this report is the marked decrease in the number of defalcations and embezzlements of public funds on the part of those intrusted with making collections and disbursements. This situation is the result of more frequent examinations by the increased corps of field examiners and the application of the merit system in the selection of responsible officials.

In every case arising prompt measures have been taken for the prosecution of the offender and the protection of the government's interests by demand on the surety company responsible under contract for the integrity of the official. The officers charged with the enforcement of the laws and prosecution of offenders have been untiring in their efforts to secure prompt convictions and sentences.

Following is a statement of these defalcations, with the name of the offender, the official position held by him, the amount of his peculation, and the status of the government's claim against the surety for the recovery of the amount:

J. W. Walsh, a supply officer of the Philippines constabulary stationed at Masbate, was found to be short in his accounts ₱2,739.50 and pfs. 12,728.28. He was charged with embezzlement and forgery and sentenced to twenty-six years' imprisonment. Demand was made on the Union Surety and Guaranty Company and the Fidelity and Deposit Company, joint sureties, for the shortage, and ₱26.66 and pfs. 2,659.78 have been paid thereunder.

A final examination of the accounts of C. G. Johnson, a supply officer of the Philippines constabulary, shows a balance due government of ₱3.62 and pfs. 603.55, against which there is due officer ₱31.10 and pfs. 148.50. His property accounts also reveal a shortage of ₱1,821.91. These funds were stolen by Johnson, who later, in company with Captain Herman, his senior inspector, confiscated a launch and tried to escape to British North Borneo, but were prevented by the ruse of a native captain. Later, Johnson was murdered by natives in attempting to land on the island of Mindanao. His accomplice, Captain Herman, was captured later, seriously wounded. He is now serving a term in Bilibid for his connection with the crime.

John Arthur, a supply officer of the Philippines constabulary, committed suicide at Cavite on March 6, 1904. Examination of his accounts revealed a shortage of ₱3,649.61 and pfs. 263.10 in his disbursing account and ₱7,402.46 in his commissary accounts. Demand will be made on his sureties for the amounts.

The final audit of the accounts of L. A. Porter, a supply officer of the Philippines constabulary, now deceased, shows a total shortage of ₱1,409.16 and pfs. 3,517.13. His property accounts also reveal shortages to the value of ₱1,312.78. When last communicated with Lieutenant Porter stated that he had the sum of ₱3,517.13 in his possession, but on thorough search after his decease the money could not be located. His sureties have been requested to indemnify the government for the shortage.

Isidor Gintzler, a supply officer of the Philippines Constabulary stationed at Cebu, was found on examination to be short in his accounts in the sums of ₱2,782.35 and pfs. 21.40. He is also responsible for a shortage in property to the value of \$319.62. He was charged with criminal negligence and misappropriation, of government funds and received a sentence of three years, six months, and one day's imprisonment. The charge of criminal negligence was dismissed. The sum of ₱2,801.80 has been paid by his sureties.

The final audit of the accounts of Elmer B. Melton, a supply officer of the Philippines Constabulary at Baguio, Benguet, now deceased, shows a balance due the government of ₱216.87, which can not be accounted for. His sureties will be called upon to liquidate this balance.

Carel Knip, a supply officer of the Philippines Constabulary stationed at Capiz, was found to be short in his accounts in the net sum of ₱407.47. He was charged with falsification and embezzlement and on the latter charge was found guilty and sentenced to two

years' imprisonment and to pay the government the amount embezzled. The charge of falsification was lost through a technicality. His accounts have not been finally closed, and any other shortages arising will be included in the demand on his sureties.

Charles Borden, a supply officer of the Philippines Constabulary, was convicted of misappropriation of public funds and sentenced to three years, six months, and twenty-one days' imprisonment, and to indemnify the government to the amount of ₱1,035.31. Demand has been made on his sureties for the amount of the shortage.

Paul B. Weiss, deputy of the provincial treasurer of Sorsogon, was tried and convicted on the charge of falsification of a public document and the embezzlement of ₱1,372.75. On the former charge he was sentenced to twelve years' imprisonment and on the latter to ten years and one day. The amount of his shortage has been deposited with the clerk of the court of first instance of Sorsogon Province.

Ernest Hagerdorn, late lieutenant, Twenty-eighth Infantry, U. S. Army, was found guilty of embezzlement by a general court-martial and sentenced to two years in Bilibid prison. His final account showed a balance of \$145.04 due the insular government, which amount was credited to him by consent of the civil governor under rule 29 of Act 90.

LOSSES BY THEFT AND OTHER UNAVOIDABLE CAUSE.

Lieut. William H. Martin, a supply officer of the Philippines Constabulary, lost pfs. 1,216.36 of public funds as the result of the burning of headquarters building at Bayombong, Nueva Vizcaya. Damaged bullion to the value of ₱437.78 was recovered and the balance will be credited to the officer with the written consent of the civil governor, as provided in rule 28 of Act 90.

Lieut. Frank J. O'Grady, a supply officer of the Philippines Constabulary was found to be short in his accounts in the sum of ₱4,107.60, which, upon investigation, was proved not to be the fault of said officer. The Commission relieved Lieutenant O'Grady by special legislation.

Capt. George D. Guyer, Sixteenth U. S. Infantry, serving as a disbursing officer of insular funds, lost \$2,543.47 by theft. As the loss occurred through no fault of the officer, he was relieved of the amount by special statute.

Dr. H. Eugene Stafford, attending physician and surgeon, civil hospital, was relieved of accountability for ₱2,214.10 and pfs. 230 pertaining to his civil hospital account, and ₱90 and pfs. 513.12 pertaining to the Benguet Sanitarium account, pursuant to the provisions of rule 29 of Act 90. Adolph Schenck, a former employee at the civil hospital, was prosecuted for embezzlement and his trial revealed the disappearance of part of these funds.

Lieut. J. W. Lattimore, a supply officer of the Philippines Constabulary, while absent from his station on a pay trip lost ₱879.10 by theft. These funds were stolen by Herman and Johnson, an account of whose actions has already been stated. The civil governor, by written consent, allowed credit for this sum in the accounts of Lieutenant Lattimore, under rule 28 of Act 90.

Dorateo Alviar, clerk of the court of first instance at Vigan, applied for relief from responsibility for the sum of pfs. 159.45 which had been

sent by registered mail to the insular treasurer. On arrival at Manila the pouch containing the money could not be found. Relief was granted under rule 28 of Act 90.

Capt. C. McK. Saltzman, Signal Corps, U. S. Army, reported the theft of ₱99.70 of insular funds. Credit was allowed for the amount pursuant to rule 28 of Act 90.

Capt. G. W. Povey, quartermaster, U. S. Volunteers, was allowed credit in his accounts for \$0.66 pursuant to rule 29 of Act 90.

Capt. D. H. Boughton, Third Cavalry, U. S. Army, claimed credit for \$62.50 as money disbursed and for which he had not taken proper vouchers. The civil governor authorized credit pursuant to rule 29 of Act 90.

Capt. Anton Springer, First Infantry, U. S. Army, was killed in action. His final accounts showed a balance of \$30 due the insular government, for which sum credit was allowed under rule 29 of Act 90.

Lieut. J. McRae, a supply officer of the Philippines Constabulary, stationed at Vigan, lost during the mutiny of the constabulary in that district the sum of ₱818.56 of public funds. The loss was adjusted under rule 28 of Act 90.

Lieut. Bissell Thomas, Thirty-fifth Infantry, U. S. Volunteers, was credited under the provisions of rule 29 of Act 90 with a balance of ₱120 of insular funds. This officer was cashiered and no probability existed that the amount would ever be recovered.

Lieut. G. A. Williams, Forty-ninth Infantry, U. S. Volunteers, was credited with ₱790 under the provisions of rule 29 of Act 90, information having been received from the War Department to the effect that he was indebted to the United States for a much larger sum.

A. B. Smith, acting assistant surgeon, U. S. Army, was credited with ₱93 on his disbursing account and for property to the value of ₱45. This officer left the islands without final accounting and no means exist of making collection of the balance found to be due.

L. P. Smith, acting assistant surgeon, U. S. Army, was accountable to the government at the time of his decease for ₱0.24, which sum was removed under rule 29 of Act 90.

Maj. W. A. Glassford, Signal Corps, U. S. Army, claimed credit for a loss of \$112.46 of public funds. The claim was allowed and amount credited pursuant to rule 28 of Act 90.

Lieut. W. L. Clarke, Signal Corps, U. S. Army, reported a loss of ₱163.96, for which amount he was allowed credit in his accounts under rule 28 of Act 90.

Capt. A. J. Robertson, paymaster, Philippines Constabulary, in April, 1904, prepared a box said to contain ₱1,926.90 for shipment to Lieut. L. E. McMurray. This box was receipted for by the constabulary quartermaster for the purpose of shipment, but never reached its destination. The responsibility for this loss has not been finally determined.

Lieut. J. A. Moss, U. S. Army, postmaster at Camp Vicars, Moro Province, was allowed a credit for ₱9.32 under rule 28 of Act 90 for postal funds lost by burglary.

Fred J. Schlotfeldt, treasurer of Cebu Province, has requested relief under rule 28 of Act 90 for ₱5,000 lost by John S. Stevenson, deputy treasurer, through the capsizing of a banca. Affidavits have been

submitted and an investigation made by a special examiner, but the loss remains unadjusted.

G. B. Travis, secretary-treasurer of Lepanto-Bontoc Province, sustained a loss of ₱3,036 by robbery at Bangued, where the funds had been misshipped by the insular treasurer. Part of the amount has been recovered. The case has not yet been disposed of.

THE INSULAR TREASURY.

TREASURY STATEMENT.

GENERAL REVENUE ACCOUNT OF THE TREASURER.

The following is the general revenue account of the treasurer of the islands, by months, as audited. The new Philippines currency having a fixed and permanent value in its relation to United States currency at the ratio of two to one, the account as stated in Philippine currency includes all transactions in United States currency on this basis.

This statement of deposits in and withdrawals from the treasury embraces all transactions at the treasury within the fiscal year 1904 without reference to the period for which the collections as so deposited were made, and also without reference to the fiscal year for the service of which funds were withdrawn for expenditure.

General revenue account of the insular treasurer for the fiscal year ended June 30, 1904.

JULY, 1903.

Character of item.	Philippines currency.	Mexican currency.
DEBIT.		
Balance due Government July 1, 1903.....	₱21,707,606.18	.....
Deposits on account of—		
Customs revenues.....	1,340,992.30	\$125,432.57
Internal revenues.....	9,371.06	68,759.28
Miscellaneous revenues.....	84,607.83	50,261.85
Visayan and Hongkong-Manila cable concession.....	5,719.96	.....
Seized funds turned into general treasury.....	263,165.76	.....
Repayments to appropriations, general expenses.....	251,808.17	957,786.77
Repayments to appropriations, Congressional relief fund.....	6,137.54	.....
Sales of rice, insular purchasing agent.....	58,538.54	.....
Sales of supplies.....	37,775.59	.....
Philippine pesos coined from bullion purchased.....	780.00	.....
Refundable export duties.....	75,348.70	34,275.61
Surplus, customs auction sales (sec. 283, Act 355).....	172.92	.....
Invalid money orders.....	1,306.80	.....
Province of Rizal (sec. 5 (g), Act 439).....	151,036.78	2.58
City of Manila.....	130,428.78	.....
Currency received in exchange for equivalent in other currency.....	229,305.02	15,562.16
Total debit.....	24,223,653.15	1,382,509.60
CREDIT.		
Balance due treasurer July 1, 1903.....	.....	539,269.39
Withdrawals by accountable warrants.....	6,195,135.30	92,825.39
Withdrawals by settlement warrants.....	82,237.45	71,298.96
Currency given in exchange for equivalent in other currency.....	47,663.54	234,138.61
Balance due Government July 31, 1903.....	17,898,616.86	444,977.35
Total credit.....	24,223,653.15	1,382,509.60

General revenue account of the insular treasurer for the fiscal year ended June 30, 1904—
Continued.

AUGUST, 1903.

Character of item.	Philippines currency.	Mexican currency.
DEBIT.		
Balance due Government Aug. 1, 1903.....	P 17,898,616.86	\$444,977.35
Deposits on account of—		
Customs revenues.....	1,221,790.21	56,353.41
Internal revenues.....	9,836.39	39,062.95
Miscellaneous revenues.....	183,734.79	23,726.44
Visayan and Hongkong-Manila cable concession.....	5,951.90	
Seized funds turned into general treasury.....		2,008.55
Repayments to appropriations, general expenses.....	22,209.50	481,093.18
Repayments to appropriations, Congressional relief fund.....	2,320.00	
Sales of rice, insular purchasing agent.....	63,584.71	
Sales of supplies.....	427,591.46	
Philippine pesos coined from bullion purchased.....	6,093,358.00	
Refundable export duties.....	63,997.40	
Invalid money orders.....	480.30	
Province of Rizal (sec. 5 (g), Act 436).....	6.00	
City of Manila.....	81,091.94	47,253.18
Currency received in exchange for equivalent in other currency.....	1,398,418.16	138,939.25
Total debit.....	27,472,987.62	1,233,414.31
CREDIT.		
Withdrawals by accountable warrants.....	4,664,956.02	108,501.83
Withdrawals by settlement warrants.....	619,619.81	48,408.45
Currency given in exchange for equivalent in other currency.....	1,215,452.84	349,349.32
Balance due Government Aug. 31, 1903.....	20,972,958.05	727,154.71
Total credit.....	27,472,987.62	1,233,414.31

SEPTEMBER, 1903.

DEBIT.		
Balance due Government Sept. 1, 1903.....	P 20,972,958.05	\$727,154.71
Deposits on account of—		
Customs revenues.....	1,660,662.22	18,751.66
Postal revenues.....	141,510.76	
Internal revenues.....	24,081.03	30,902.28
Miscellaneous revenues.....	100,368.28	16,040.55
Visayan and Hongkong-Manila cable concession.....	4,954.04	
Repayments to appropriations, general expenses.....	27,381.20	107,129.50
Repayments to appropriations, Congressional relief fund.....	680.00	
Sales of rice, insular purchasing agent.....	40,860.46	
Sales of supplies.....	165,189.32	
Philippine pesos coined from bullion purchased.....	307,380.00	
Sale of certificates of indebtedness and premium thereon.....	6,134,400.00	
Refundable export duties.....	122,676.76	
Surplus, customs auction sales (sec. 283, Act 355).....	766.48	
Invalid money orders.....	1,747.54	
Province of Rizal (sec. 5 (g), Act 436).....	39.09	4.46
City of Manila.....	85,814.96	41,285.48
Currency received in exchange for equivalent in other currency.....	1,896,474.14	114,235.00
Total debit.....	31,687,944.33	1,056,403.64
CREDIT.		
Withdrawals by accountable warrants.....	4,816,654.45	1,775.00
Withdrawals by settlement warrants.....	220,398.65	11,269.18
Withdrawals by postal covering-in warrants.....	141,510.76	
Currency given in exchange for equivalent in other currency.....	1,698,950.79	341,386.83
Balance due Government Sept. 30, 1903.....	24,810,429.68	701,972.63
Total credit.....	31,687,944.33	1,056,403.64

General revenue account of the insular treasurer for the fiscal year ended June 30, 1904—
Continued.

OCTOBER, 1903.

Character of item.	Philippines currency.	Mexican currency.
DEBIT.		
Balance due Government Oct. 1, 1903.....	P 24,810,429.68	\$701,972.63
Deposits on account of—		
Customs revenues.....	1,725,513.44	10,029.25
Internal revenues.....	21,198.34	17,816.76
Miscellaneous revenues.....	101,202.15	12,884.23
Visayan and Hongkong-Manila cable concession.....	4,733.46	
Repayments to appropriations, general expenses.....	195,942.63	38,766.40
Repayments to appropriations, Congressional relief fund.....	201,652.89	
Sales of rice, insular purchasing agent.....	2,303.10	
Sales of supplies.....	401,766.62	
Philippine pesos coined from bullion purchased.....	4,945,966.56	
Refundable export duties.....	89,811.86	
Surplus customs auction sales (sec. 283, Act 355).....	147.42	
Outstanding liabilities.....	269.26	2,065.28
City of Manila.....	215,596.13	63,528.21
Currency received in exchange for equivalent in other currency.....	2,893,672.96	698,715.82
Total debit.....	35,610,206.50	1,545,778.58
CREDIT.		
Withdrawals by accountable warrants.....	3,323,345.79	150.00
Withdrawals by settlement warrants.....	524,474.48	2,787.00
Currency given in exchange for equivalent in other currency.....	3,450,231.80	92,034.77
Balance due Government Oct. 31, 1903.....	28,312,154.43	1,450,806.81
Total credit.....	35,610,206.50	1,545,778.58

NOVEMBER, 1903.

DEBIT.		
Balance due Government Nov. 1, 1903.....	P 28,312,154.43	\$1,450,806.81
Deposits on account of—		
Customs revenues.....	1,138,823.23	8,009.01
Internal revenues.....	26,435.20	21,710.40
Miscellaneous revenues.....	189,937.81	10,556.74
Visayan and Hongkong-Manila cable concession.....	4,781.10	
Repayments to appropriations, general expenses.....	84,036.04	30,421.53
Repayments to appropriations, Congressional relief fund.....	500.00	
Sales of rice, insular purchasing agent.....	88.70	
Sales of supplies.....	264,647.24	
Philippine pesos coined from bullion purchased.....	2,369,060.00	
Refundable export duties.....	85,752.58	
Surplus customs auction sales (sec. 283, Act 355).....	35.26	
Province of Rizal (sec. 5 (g), Act 436).....	80.84	
City of Manila.....	96,116.68	47,333.12
Currency received in exchange for equivalent in other currency.....	1,325,398.32	147,266.00
Total debit.....	33,897,856.43	1,716,163.90
CREDIT.		
Withdrawals by accountable warrants.....	4,855,879.09	602,984.76
Withdrawals by settlement warrants.....	429,468.47	675,684.21
Currency given in exchange for equivalent in other currency.....	1,273,075.96	207,436.78
Balance due Government Nov. 30, 1903.....	27,339,432.91	230,058.15
Total credit.....	33,897,856.43	1,716,163.90

General revenue account of the insular treasurer for the fiscal year ended June 30, 1904—
Continued.

DECEMBER, 1903.

Character of item.	Philippines currency.	Mexican currency.
DEBIT.		
Balance due Government Dec. 1, 1903.....	₱27,339,432.91	\$230,058.15
Deposits on account of—		
Customs revenues.....	807,893.40	365,446.13
Internal revenues.....	15,364.10	32,395.99
Miscellaneous revenues.....	102,680.55	14,452.57
Visayan and Hongkong-Manila cable concession.....	4,276.92	
Repayments to appropriations, general expenses.....	112,585.91	16,177.00
Repayments to appropriations, Congressional relief fund.....	2,500.00	
Sales of rice, insular purchasing agent.....	1,141.74	
Sales of supplies.....	713,978.27	
Philippine pesos coined from bullion purchased.....	860,800.00	
Refundable export duties.....	32,684.64	78,187.82
Outstanding liabilities.....		100.00
Invalid money orders.....	1,130.50	
Province of Rizal (sec. 5 (g), Act 436).....	14.57	360.04
City of Manila.....	161,388.62	472,177.75
Currency received in exchange for equivalent in other currency.....	1,678,576.64	305,271.81
Total debit.....	31,834,457.77	1,514,627.26
CREDIT.		
Withdrawals by accountable warrants.....	2,707,352.35	400,366.96
Withdrawals by settlement warrants.....	1,009,067.54	78.48
Currency given in exchange for equivalent in other currency.....	1,913,525.58	35,080.53
Balance due Government Dec. 31, 1903.....	26,204,512.30	1,079,101.29
Total credit.....	31,834,457.77	1,514,627.26

JANUARY, 1904.

DEBIT.		
Balance due Government Jan. 1, 1904.....	₱26,204,512.30	\$1,079,101.29
Deposits on account of—		
Customs revenues.....	1,785,944.57	143,790.83
Postal revenues.....	76,439.06	
Internal revenues.....	25,004.54	15,950.78
Miscellaneous revenues.....	107,025.69	4,585.37
Visayan and Hongkong-Manila cable concession.....	4,873.62	
Seized funds turned into general treasury.....		542.90
Repayments to appropriations, general expenses.....	234,886.90	39,663.67
Sales of rice, emergency fund.....	2,523.56	
Sales of rice, insular purchasing agent.....	23,421.61	
Sales of supplies.....	780,368.95	
Philippine pesos coined from bullion purchased.....	149,500.00	
Refundable export duties.....	56,114.95	33,403.15
Surplus customs auction sales (sec. 283, Act 355).....	16.22	
Outstanding liabilities.....	112.82	3,721.40
Invalid money orders.....	1,227.32	
Province of Rizal (sec. 5 (g), Act 436).....	19.43	
City of Manila.....	731,195.36	30,484.40
Currency received in exchange for equivalent in other currency.....	927,930.68	448,626.52
Total debit.....	31,111,117.59	1,799,870.31
CREDIT.		
Withdrawals by accountable warrants.....	2,370,437.30	1,564.00
Withdrawals by settlement warrants.....	919,669.48	11,691.73
Withdrawals by postal covering-in warrants.....	52,956.86	
Currency given in exchange for equivalent in other currency.....	1,297,353.81	24,079.45
Balance due government Jan. 31, 1904.....	26,471,270.06	1,762,535.13
Total credit.....	31,111,117.59	1,799,870.31

General revenue account of the insular treasurer for the fiscal year ended June 30, 1904—
Continued.

FEBRUARY, 1904.

Character of item.	Philippines currency.	Mexican currency.
DEBIT.		
Balance due Government Feb. 1, 1904.....	P 26,471,270.06	\$1,762,535.13
Deposits on account of—		
Customs revenues.....	1,316,382.02	6,091.09
Internal revenues.....	29,027.22	12,566.70
Miscellaneous revenues.....	206,181.89	848.96
Visayan and Hongkong-Manila cable concession.....	5,681.10	
Seized funds turned into general treasury.....	2,782.50	
Repayments to appropriations, general expenses.....	32,538.41	16,025.95
Repayments to appropriations, Congressional relief fund.....	6,860.51	
Sales of rice, emergency fund.....	2,136.59	
Sales of rice, insular purchasing agent.....	7,253.07	
Sales of supplies.....	833,014.11	
Philippine pesos coined from bullion purchased.....	3,892.00	
Sale of friar lands bonds and premium thereon.....	15,060,780.00	
Refundable export duties.....	12,496.26	
Surplus customs auction sales (sec. 283, Act 355).....	1,042.96	
Invalid money orders.....	10,200.00	
City of Manila.....	111,061.32	12,929.23
Currency in exchange for equivalent in other currency.....	1,562,109.80	737,934.40
Total debit.....	45,674,655.82	2,548,931.46
CREDIT.		
Withdrawals by accountable warrants.....	4,496,883.42	1,556,000.00
Withdrawals by settlement warrants.....	657,900.14	1,805.87
Currency given in exchange for equivalent in other currency.....	2,208,330.67	14,680.10
Balance due Government Feb. 29, 1904.....	38,311,541.59	976,445.49
Total credit.....	45,674,655.82	2,548,931.46

MARCH, 1904.

DEBIT.		
Balance due Government Mar. 1, 1904.....	P 38,311,541.59	\$976,445.49
Deposits on account of—		
Customs revenues.....	1,640,199.04	8,603.67
Internal revenues.....	39,507.90	9,715.36
Miscellaneous revenues.....	134,245.78	1,128.31
Visayan and Hongkong-Manila cable concession.....	5,028.90	
Repayments to appropriations, general expenses.....	139,228.89	20,249.80
Repayments to appropriations, Congressional relief fund.....	9,062.54	
Sales of rice, emergency fund.....	1,258.62	
Sales of rice, insular purchasing agent.....	8,903.71	
Sales of supplies.....	242,247.21	
Philippine pesos coined from bullion purchased.....	117,570.00	
Refundable export duties.....	44,679.84	
Surplus customs auction sales (sec. 283, Act 355).....	1,218.81	
Outstanding liabilities.....	1,029.66	
Invalid money orders.....	468.46	
City of Manila.....	154,943.80	14,844.82
Currency received in exchange for equivalent in other currency.....	4,042,379.88	1,544,317.45
Total debit.....	44,893,534.43	2,575,304.90
CREDIT.		
Withdrawals by accountable warrants.....	2,688,858.57	1,131,493.36
Withdrawals by settlement warrants.....	370,726.97	1,785.47
Currency given in exchange for equivalent in other currency.....	5,438,268.81	6,217.94
Balance due government Mar. 31, 1904.....	36,395,680.08	1,435,808.13
Total credit.....	44,893,534.43	2,575,304.90

General revenue account of the insular treasurer for the fiscal year ended June 30, 1904—
Continued.

APRIL, 1904.

Character of item.	Philippines currency.	Mexican currency.
DEBIT.		
Balance due government Apr. 1, 1904.....	P 36,395,680.08	\$1,435,808.13
Deposits on account of—		
Customs revenues.....	1,507,335.74	11,182.38
Postal revenues.....	62,849.89	
Internal revenues.....	42,913.46	11,304.71
Miscellaneous revenues.....	150,646.29	1,784.33
Visayan and Hongkong-Manila cable concession.....	5,298.85	
Seized funds turned into general treasury.....	17,323.64	
Repayments to appropriations, general expenses.....	136,748.01	9,728.90
Repayments to appropriations, Congressional relief fund.....	913.50	
Sales of rice, emergency fund.....	1,719.05	
Sales of supplies.....	438,366.34	
Refundable export duties.....	88,730.50	
Invalid money orders.....	878.86	
Province of Rizal (sec. 5 (g), Act 436).....	.32	.02
City of Manila.....	385,755.09	25,861.39
Currency received in exchange for equivalent in other currency.....	3,537,368.93	3,051,395.66
Total debit.....	42,772,528.55	4,547,065.52
CREDIT.		
Withdrawals by accountable warrants.....	9,633,540.22	1,230,000.00
Withdrawals by settlement warrants.....	700,987.67	566.30
Withdrawals by postal covering-in warrants.....	62,849.89	
Currency given in exchange for equivalent in other currency.....	6,304,582.83	6,343.50
Balance due government Apr. 30, 1904.....	26,070,567.94	3,310,155.72
Total credit.....	42,772,528.55	4,547,065.52

MAY, 1904.

DEBIT.		
Balance due government May 1, 1904.....	P 26,070,567.94	\$3,310,155.72
Deposits on account of—		
Customs revenues.....	1,338,554.96	4,298.39
Internal revenues.....	35,086.10	3,538.83
Miscellaneous revenues.....	239,111.41	880.95
Visayan and Hongkong-Manila cable concession.....	4,932.39	
Repayments to appropriations, general expenses.....	653,147.87	3,535.55
Repayments to appropriations, Congressional relief fund.....	72.00	
Sales of rice, emergency fund.....	1,996.19	
Sales of rice, insular purchasing agent.....	6,337.49	
Sales of supplies.....	767,099.25	
Philippine pesos coined from bullion purchased.....	1,096,180.00	
Sale of certificates of indebtedness and premium thereon.....	6,070,840.00	
Refundable export duties.....	54,825.68	
Outstanding liabilities.....	26.09	679.84
City of Manila.....	224,994.58	6,891.35
Currency received in exchange for equivalent in other currency.....	1,695,242.61	146,014.38
Total debit.....	38,229,034.56	3,475,995.01
CREDIT.		
Withdrawals by accountable warrants.....	2,690,931.83	1,811,330.00
Withdrawals by settlement warrants.....	1,298,102.34	734.14
Currency given in exchange for equivalent in other currency.....	1,764,161.07	68,225.34
Balance due government May 31, 1904.....	32,475,839.32	1,595,705.53
Total credit.....	38,229,034.56	3,475,995.01

General revenue account of the insular treasurer for the fiscal year ended June 30, 1904—
Continued.

JUNE, 1904.

Character of item.	Philippines currency.	Mexican currency.
DEBIT.		
Balance due government June 1, 1904	P32,475,839.32	\$1,565,705.53
Deposits on account of—		
Customs revenues	1,277,744.43	3,265.11
Internal revenues	41,393.87	1,877.40
Miscellaneous revenues	140,241.46	637.32
Visayan and Hongkong-Manila cable concession	4,601.65	
Repayments to appropriations, general expenses	239,975.28	4,501.21
Repayments to appropriations, Congressional relief fund	338.70	
Sales of rice, emergency fund	3,995.32	
Sales of rice, insular purchasing agent	274.00	
Sales of supplies	459,246.33	
Receipts from concessions Philippine exhibit at St. Louis	63,746.56	
Philippine pesos coined from bullion purchased	727,028.00	
Refundable export duties	95,994.06	
Outstanding liabilities	600.00	1,580.87
City of Manila	634,970.22	32,846.56
Currency received in exchange for equivalent in other currency	2,079,645.52	1,897,717.77
Total debit	38,245,634.72	3,538,131.77
CREDIT.		
Withdrawals by accountable warrants	3,114,542.97	1,000,000.00
Withdrawals by settlement warrants	646,931.19	
Currency in exchange for equivalent in other currency	3,795,078.63	5,896.40
Balance due government June 30, 1904	30,689,081.93	2,532,245.37
Total credit	38,245,634.72	3,538,131.77

RECAPITULATION FOR YEAR.

RECEIPTS.		
Balance due government July 1, 1903	P21,707,606.18	
Deposits on account of—		
Customs revenues	16,761,781.56	\$761,313.50
Postal revenues	280,799.71	
Internal revenues	319,219.21	265,601.44
Miscellaneous revenues	1,739,992.93	138,687.62
Eastern extension Australasia and China Telegraph Company, Visayan and Hongkong-Manila concession	60,833.89	
Seized funds turned into general treasury	283,271.90	2,551.45
Repayments to appropriations, general expenses	2,130,488.81	1,725,079.66
Repayments to appropriations, Congressional relief fund	231,057.68	
Sales of rice, emergency fund	13,629.33	
Sales of rice, insular purchasing agent	212,707.13	
Sales of supplies	5,531,290.69	
Receipts from concessions, Philippine exhibit at St. Louis	63,746.56	
Philippine pesos coined from bullion purchased	16,641,494.56	
Sale of certificates of indebtedness and premium thereon	12,205,260.00	
Sale of friar-lands bonds and premium thereon	15,060,780.00	
Refundable export duties	823,113.23	145,866.58
Surplus customs auction sales (sec. 283, Act 355)	3,400.07	
Outstanding liabilities	2,037.83	8,147.39
Invalid money orders	17,439.78	
Province of Rizal (sec. 5 (g), Act 436)	169.25	367.10
City of Manila	3,033,965.28	925,864.27
Currency received in exchange for equivalent in other currency	23,266,522.66	9,245,986.31
Total debit	120,390,608.25	13,219,475.32
CREDIT.		
Balance due insular treasurer July 1, 1903		539,269.39
Withdrawals by accountable warrants	51,558,518.29	7,936,981.30
Withdrawals by settlement warrants	7,479,014.19	826,109.09
Withdrawals by postal covering-in warrants	257,317.51	
Currency given in exchange for equivalent in other currency	30,406,676.33	1,384,859.57
Balance due government June 30, 1904	30,689,081.93	2,532,245.37
Total credit	120,390,608.25	13,219,475.32

Balance of all funds in the insular treasury available for appropriation at the close of each month.

Date.	Philippines currency.
1903.	
July 31.....	P452,570.48
August 31.....	2,216,950.83
September 30.....	8,594,347.02
October 31.....	14,789,940.72
November 30.....	9,663,038.75
December 31.....	11,518,307.90
1904.	
January 31.....	12,844,956.35
February 29.....	12,519,419.91
March 31.....	12,855,097.18
April 30.....	12,938,818.57
May 31.....	19,678,785.50
June 30.....	21,095,212.56

Analysis of amount available for appropriation on June 30, 1904.

Item.	Excess of funds available over amount appropriated.	Excess of appropriated funds over amount available.
General fund.....		P540,599.53
Congressional relief fund.....	P903,928.53	
Gold-standard fund.....	5,671,103.56	
Friar-lands fund.....	15,060,780.00	
Net balance available for appropriation.....		21,095,212.56
	21,635,812.09	21,635,812.09

The following is a comparative statement of deposits and withdrawals at the insular treasury by fiscal years since the date of American occupation in August, 1898, to June 30, 1904, expressed in Philippines currency. The treasurer's account for the fiscal year 1904, elsewhere stated in the currencies actually involved, is here for the purpose of comparison converted at the ratio of 1.10 to 1, the official ratio at the close of the fiscal year, which may be considered a fair average ratio for the year. From this statement has been excluded the sum of \$455,093.49, the estimated United States currency value of seized funds in the treasury, treated in former statements as a part of the treasurer's balance until June 30, 1901, at which time the funds were taken over to a special account.

Comparative Treasury statement, fiscal years 1899, 1900, 1901, 1902, 1903, and 1904.

Character of item.	Fiscal year ended June 30—		
	1899.	1900.	1901.
DEBIT.			
Balance due government beginning of year.....		P738,959.02	P4,046,834.76
Total deposits on account of—			
Customs.....	P6,167,300.90	11,364,530.42	18,254,010.04
Post-offices.....		36,000.00	190,031.24
Internal revenue.....	490,430.16	1,045,151.32	1,864,969.82
Miscellaneous.....	269,432.52	1,091,738.84	1,324,449.52
Repayments to appropriations.....			893,173.52
Total debit.....	6,927,163.58	14,276,379.60	26,573,468.90
CREDIT.			
Total withdrawals.....	6,188,204.56	10,229,544.84	14,127,643.34
Balance due government at close of year.....	738,959.02	4,046,834.76	12,445,825.56
Total credit.....	6,927,163.58	14,276,379.60	26,573,468.90

Comparative Treasury statement, fiscal years 1899, 1900, 1901, 1902, 1903, and 1904—
Continued.

Character of item.	Fiscal year ended June 30—		
	1902.	1903.	1904.
DEBIT.			
Balance due government beginning of year.....	₱12,445,825.56	₱11,990,012.99	₱21,267,386.26
Total deposits on account of—			
Customs.....	16,816,170.75	18,354,758.80	17,453,884.74
Refundable export duties.....	141,429.42	1,043,648.88	955,719.21
Post-offices.....	200,434.68	206,716.88	280,799.71
Internal revenue.....	536,222.58	425,662.18	560,675.07
Miscellaneous.....	1,203,502.20	2,350,840.88	2,212,545.73
Repayments to appropriations.....	6,418,708.72	8,128,342.50	9,781,961.82
Philippine pesos coined from bullion purchased		3,200,000.00	16,641,494.56
Sale of certificates of indebtedness and premium			
thereon.....		6,150,780.00	12,205,260.00
Relief fund voted by United States Congress.....		6,000,000.00	
Sale of friar land bonds and premium thereon.....			15,060,780.00
City of Manila.....	2,135,743.25	3,154,832.98	3,875,612.22
Total debit.....	39,898,037.16	61,005,596.09	100,296,119.32
CREDIT.			
Total withdrawals.....	26,722,641.41	39,056,676.04	67,261,305.44
Total net differences due to change of official ratio of			
exchange in conversion of Mexican to Philippine cur-			
rency.....	1,185,382.76	681,533.79	43,690.70
Balance due government at close of year.....	11,990,012.99	21,267,386.26	32,991,123.18
Total credit.....	39,898,037.16	61,005,596.09	100,296,119.32

ACCOUNTS OF THE INSULAR TREASURER AS DEPOSITARY.

Under the provisions of section 85 of the act of Congress of July 1, 1902, temporarily providing for the administration of affairs of civil government in the Philippine Islands, the insular treasurer has been designated as a depositary of funds of the United States, consisting of the funds of the United States Army and Navy disbursing officers serving in the Philippine Islands and on the Asiatic Station, respectively, and funds to the credit of the treasurer of the United States as repayments, miscellaneous, and United States money-order funds.

Under the provisions of act 758 the insular treasurer is likewise designated as a depositary of insular disbursing officers' funds and of all trust funds coming into the hands of officers of the insular government as such.

The various accounts are stated in the actual currencies involved, in order to preserve the identity of the funds received in trust.

ARMY AND NAVY DISBURSING OFFICERS' FUNDS.

Following is a statement of the account of United States Army and Navy disbursing officers' funds in the hands of the treasurer to June 30, 1904:

Character of item.	United States currency.	Philippines currency.	Mexican currency.
Deposits to date.....	\$58,140,787.19	₱1,265,817.14	\$1,602,288.06
Withdrawals to date.....	55,715,513.83	1,134,439.74	1,602,228.06
Balance June 30, 1904.....	2,425,273.36	131,377.40	60.00

FUNDS OF THE TREASURER OF THE UNITED STATES.

Following is a statement of account of funds of the treasurer of the United States in the hands of the treasurer of the Philippine Islands to June 30, 1904:

	United States currency.	Philippines currency.
Deposits to date as—		
Money-order funds.....	\$1,500,000.00	.....
Repayments.....	4,693,592.06	.....
Miscellaneous.....	5,075,329.43	₱2,563,000.00
Total deposits.....	11,268,921.49	2,563,000.00
Withdrawals to date.....	7,761,866.21	700,000.00
Balance June 30, 1904.....	3,507,055.28	1,863,000.00

PHILIPPINE DISBURSING OFFICERS' FUNDS.

Following is a statement of account of insular disbursing officers' funds in the hands of the treasurer to June 30, 1904:

Character of item.	United States currency.	Philippines currency.	Mexican currency.
Deposits to date.....	\$3,750,584.22	₱46,627,290.27	\$26,516,045.32
Withdrawals to date.....	3,738,953.62	42,688,530.79	26,410,879.29
Balance June 30, 1904.....	11,630.60	3,938,759.48	105,166.03

INSULAR MONEY-ORDER FUNDS.

Following is a statement of account of insular money-order funds in the hands of the treasurer to June 30, 1904:

Character of item.	United States currency.	Philippines currency.	Mexican currency.
Deposits to date.....	\$1,943,236.64	₱1,655,042.43	\$757,988.48
Withdrawals to date.....	1,911,138.09	324,142.34	757,979.98
Balance June 30, 1904.....	32,098.55	1,330,900.09	8.50

THE ASSURANCE FUND.

Following is a statement of account of the assurance fund, created by the provisions of act 496 of the Philippine Commission, in the hands of the treasurer of the Philippine Islands June 30, 1904:

Character of item.	United States currency.	Philippines currency.	Mexican currency.
Deposits to date.....	\$166.22	₱2,992.61	\$123.40
Withdrawals to date.....	166.22		123.40
Balance June 30, 1904.....		2,992.61	

Under section 99 of the act named, upon original registration under the act and also upon the entry of a certificate showing title to real estate as registered owners in heirs or devisees, one-tenth

of 1 per cent of the assessed value of the land shall be paid to the register of deeds as an assurance fund. Such money is required to be paid to the insular treasurer, who shall keep the same invested. Sections 101, 102, 103, and 104 provide for the payment from this fund of all losses or damages through errors on the part of the register of deeds and otherwise direct the management of this assurance fund. No payments have been made from the fund for the purposes contemplated by the act, the withdrawals representing conversion of United States and Mexican currency balances to Philippines currency.

THE CONSTABULARY RELIEF FUND.

Following is a statement of the account of the Philippines Constabulary relief fund created by the provisions of Act No. 619, as deposited with the treasurer of the Philippine Islands as depository of trust funds, to June 30, 1904:

Character of item.	United States currency.	Philippines currency.	Mexican currency.
Deposits to date.....	\$273. 83	₱26, 212. 03	\$4, 427. 71
Withdrawals to date.....	273. 83	.....	4, 427. 71
Balance June 30, 1904.....	.....	26, 212. 03	.....

Under the general provisions of Act No. 619 fines, penalties, and forfeitures are imposed against members of the constabulary for breaches of discipline, and in addition certain deductions are made from the monthly pay of officers and enlisted men. All funds arising from the first-named source constitute a special fund to be expended by a board appointed by the chief of constabulary for the moral and material welfare of the enlisted men of the service. The funds arising from the second source constitute a special fund for the benefit of the widows and orphans of members of the constabulary who may lose their lives in the line of duty, and for the benefit of members of the constabulary who may be physically disabled by reason of wounds or other causes in line of duty. No payments have been made from the fund for the purposes contemplated, the withdrawals noted representing conversion of United States and Mexican currency balances to Philippines currency.

FRANCHISE DEPOSITS.

The following is a statement of franchise deposits in the hands of the treasurer on June 30, 1904: Deposits to date, \$211,500 United States currency; no withdrawals.

These deposits are required under paragraph 22 of part 1 of Act No. 484, section 30 of Act No. 554, section 30 of Act No. 703, and the general provisions of paragraph 9 of section 2 of Act No. 667, as an earnest of good faith and as security for the completion of work to be done by the applicants for or grantees of certain franchises within the time specified.

MISCELLANEOUS TRUST FUNDS

Following is a statement of account of miscellaneous trust funds in the hands of the treasurer of the Philippine Islands to June 30, 1904, representing cash security for the faithful performance of contracts, funds deposited to cover shortages pending investigations, etc.:

Character of items.	United States currency.	Philippines currency.	Mexican currency.
Deposits to date.....	\$7,155.00	₱1,368.06	\$1,696.00
Withdrawals to date.....	500.00	.....	1,096.00
Balance June 30, 1904	6,655.00	1,368.06	600.00

RIZAL MONUMENT FUND.

Under the provisions of Act No. 243 of the Commission the insular treasurer is the custodian of the funds collected for the purpose of erecting, on the Luneta in Manila, a monument to José Rizal, the Filipino patriot, scientist, and author.

The receipts and expenditures of the insular treasurer on this account to the close of the fiscal year were as follows:

Character of item.	United States currency.	Philippines currency.	Mexican currency.
Total receipts.....	\$1,849.10	₱3,745.94	\$64,681.80
Exchanges of currency.....	.....	58,035.77	.....
Total	1,849.10	61,781.71	64,681.80
Total disbursements.....	31.07	.....	4,592.15
Exchanges of currency.....	1,818.03	.....	50,197.43
Balance on hand .....	.....	61,781.71	892.22
Total	1,849.10	61,781.71	64,681.80

ESTATES OF DECEASED EMPLOYEES.

Under the provisions of Act No. 290 of the Commission the insular treasurer is made administrator of the estates of employees of the insular government, citizens of the United States, who may die in the service, when such estates do not exceed in value the sum of \$500. The treasurer is authorized to take possession of the effects of deceased employees, receive all salary due or accrued on account of earned leave, and to pay all expenses of interment here or shipment of the remains to the United States, as may be desired. He settles all of a decedent's just debts in the islands and pays over any balance remaining to the next of kin.

Following is a statement of the treasurer's general account as such administrator:

Character of item.	United States currency.	Philippines currency.	Mexican currency.
Total receipts, Nov. 1, 1901, to June 30, 1904	\$5,625.91	₱16,216.46	\$43,407.57
Total disbursements, Nov. 1, 1901, to June 30, 1904....	4,838.86	10,908.90	41,215.95
Balance on hand June 30, 1904.....	987.05	5,307.56	2,191.62

[illegible]

The majority of the persons arrested were detained in the possession of the proceeds of the sale of the property of the deceased. The items of clothing and other personal effects were considered as property and taken to a police station. During the process of a search of the property of the deceased, the following items were found: a small amount of cash, a small amount of jewelry, a small amount of clothing, a small amount of food, a small amount of medicine, a small amount of other personal effects. The items were taken to a police station and the proceeds of the sale of the property of the deceased were distributed to the family of the deceased. The items were taken to a police station and the proceeds of the sale of the property of the deceased were distributed to the family of the deceased.

The following summarizes information on occupational hazards and on the health hazards which arise from mass shootings, derived from research conducted during the last 10 years:

The amounts are stated in Philippine currency in order to show the relative features of the two in a more intelligible manner. The amounts received in American and Spanish-Philippine dollars from the national customs officers have been reduced to Philippine currency and recorded in that currency expression at the rate of 2 to 1, this being the ratio in effect June 30 and the amount of average rate for the transactions of the fiscal year. In the statement determining the United States currency equivalent of the amounts the amounts as stated in Philippine currency may be converted at the fixed and permanent ratio of 2 to 1.

DEPARTMENT OF FINANCE AND JUSTICE.

BUREAU OF CUSTOMS AND IMMIGRATION.

Source of revenue.		Philippines currency.
PORTS OF ENTRY.		
Manila:		
Duties on merchandise imported for immediate consumption.....		P10,972,458.81
Duties on merchandise withdrawn from warehouse.....		447,330.51
Duties on merchandise exported.....		1,253,753.86
Wharfage on merchandise exported (sec. 16, Act 230).....		275,425.86
Duties on merchandise sold under chap. 21, Act 355.....		5,505.26
Surplus on same.....		1,825.66
Tonnage (sec. 14, Act 230).....		124,628.91
Storage, labor, and drayage.....		24,349.91
Fines, penalties, and forfeitures.....		50,143.97
Licenses issued under sec. 135, Act 355.....		162,758.20
Sales of customs stamps (sec. 284, Act 355).....		51,814.00
Sales of rolls (sec. 143, Act 355).....		558.48
Sales of blank forms.....		1,553.85
Immigration tax (sec. 370, Act 355).....		37,844.13
Chinese registration (Act 702).....		47,662.90
Miscellaneous fees (secs. 392 and 393, Act 355).....		66,295.23
Salaries of officers detailed to discharge vessels.....		1,435.55
Total.....		13,527,345.09
Iloilo:		
Duties on merchandise imported for immediate consumption.....		910,834.36
Duties on merchandise withdrawn from warehouse.....		48,119.12
Duties on merchandise exported.....		73,196.19
Wharfage on merchandise exported (sec. 16, Act 230).....		116,056.24
Duties on merchandise sold under chap. 21, Act 355.....		401.20
Tonnage (sec. 14, Act 230).....		6,108.75
Storage, labor, and drayage.....		367.92
Fines, penalties, and forfeitures.....		5,235.15
Licenses issued under sec. 135, Act 355.....		27,275.76
Sales of customs stamps (sec. 284, Act 355).....		13,057.98
Sales of rolls (sec. 143, Act 355).....		1,086.18
Sales of blank forms.....		863.55
Immigration tax (sec. 370, Act 355).....		726.00
Miscellaneous fees (secs. 392 and 393, Act 355).....		6,651.21
Total.....		1,209,979.61
Cebu:		
Duties on merchandise imported for immediate consumption.....		882,244.93
Duties on merchandise withdrawn from warehouse.....		20,214.58
Duties on merchandise exported.....		124,457.80
Wharfage on merchandise exported (sec. 16, Act 230).....		34,639.76
Duties on merchandise sold under chap. 21, Act 355.....		1,757.37
Surplus on same.....		1,242.45
Tonnage (sec. 14, Act 230).....		8,114.92
Storage, labor, and drayage.....		387.85
Fines, penalties, and forfeitures.....		6,400.03
Licenses issued under sec. 135, Act 355.....		24,500.86
Sales of customs stamps (sec. 284, Act 355).....		8,927.92
Sales of rolls (sec. 143, Act 355).....		1,073.05
Sales of blank forms.....		527.25
Immigration tax (sec. 370, Act 355).....		693.76
Miscellaneous fees (secs. 392 and 393, Act 355).....		11,158.53
Total.....		1,126,431.06
NONENTRY PORTS.		
Duties on merchandise imported for immediate consumption.....		18,496.38
Duties on merchandise exported.....		361.00
Wharfage on merchandise exported (sec. 16, Act 230).....		396.78
Duties on merchandise sold under chap. 21, Act 355.....		565.44
Tonnage (sec. 14, Act 230).....		178.42
Storage, labor, and drayage.....		3.82
Fines, penalties, and forfeitures.....		2,780.49
Licenses issued under sec. 135, Act 355.....		29,229.97
Sales of customs stamps (sec. 284, Act 355).....		54,769.22
Sales of rolls (sec. 143, Act 355).....		2,098.85
Sales of blank forms.....		1,471.89
Immigration tax (sec. 370, Act 355).....		57.00
Miscellaneous fees (secs. 392 and 393, Act 355).....		8,916.34
Total.....		119,325.60
COLLECTED IN THE UNITED STATES.		
Duties on merchandise exported under act of Congress March 8, 1902.....		1,265.87

WARRANTS ISSUED BY THE INSULAR GOVERNMENT.

Following is a statement by currencies of warrants, accountable and settlement, outstanding at the beginning of the fiscal year, the amount issued, the amount paid, the amount canceled, and the amount outstanding June 30, 1904:

Character of item.	Philippines currency.	Mexican currency.
Outstanding July 1, 1903:		
Accountable.....	₱337.44	\$154,709.12
Settlement.....	16,297.02	30,707.39
Issued during fiscal year 1904:		
Accountable.....	51,754,180.99	7,783,943.77
Settlement.....	7,496,977.04	795,423.73
Total.....	59,267,792.49	8,764,784.01
Paid during fiscal year:		
Accountable.....	51,558,518.29	7,936,991.30
Settlement.....	7,479,014.19	826,109.69
Canceled during fiscal year:		
Accountable.....	58,823.52	1,661.59
Settlement.....	523.79	.....
Outstanding June 30, 1904:		
Accountable.....	137,176.62	.....
Settlement.....	33,736.06	21.43
Total.....	59,267,792.49	8,764,784.01

SPECIAL PROPERTY AND DEPOSIT ACCOUNT.

As shown by previous reports, there remained in the possession of the treasurer of the islands on June 30, 1903, certain remaining items of Spanish seized funds and special deposits, which were considered as property and carried on a special account as such. During the present fiscal year various sales were made under the authority contained in Act 608 of the Commission, and the proceeds, amounting to ₱283,721.90 Philippine currency, and pfs. 2,551.45 Mexican currency, deposited in the treasury to the credit of the general revenue account.

INSULAR REVENUES.

The following statements, tabulated by departments, bureaus, and offices, show the revenues, under appropriate classifications, derived from insular sources during the fiscal year 1904.

The accounts are stated entirely in Philippines currency in order to present the statistical features of the report in a more intelligible manner. The amounts received in Mexican and Spanish-Filipino currency from the several revenue officers have been reduced to Philippines currency value and included in that currency expression at the ratio of 1.10 to 1, this being the ratio in effect June 30 and approximately an average ratio for the transactions of the fiscal year. For the purpose of determining the United States currency equivalent of the revenues, the amounts as stated in Philippines currency may be reduced at the fixed and permanent ratio of 2 to 1.

DEPARTMENT OF FINANCE AND JUSTICE.

BUREAU OF CUSTOMS AND IMMIGRATION.

Source of revenue.	Philippines currency.
PORTS OF ENTRY.	
Manila:	
Duties on merchandise imported for immediate consumption.....	P10,972,458.81
Duties on merchandise withdrawn from warehouse.....	447,330.51
Duties on merchandise exported.....	1,255,753.86
Wharfage on merchandise exported (sec. 16, Act 230).....	275,425.86
Duties on merchandise sold under chap. 21, Act 355.....	5,505.26
Surplus on same.....	1,825.66
Tonnage (sec. 14, Act 230).....	124,628.91
Storage, labor, and drayage.....	24,349.91
Fines, penalties, and forfeitures.....	50,143.97
Licenses issued under sec. 135, Act 355.....	162,758.20
Sales of customs stamps (sec. 284, Act 355).....	51,814.00
Sales of rolls (sec. 143, Act 355).....	558.48
Sales of blank forms.....	1,553.85
Immigration tax (sec. 370, Act 355).....	37,844.13
Chinese registration (Act 702).....	47,662.90
Miscellaneous fees (secs. 392 and 393, Act 355).....	66,295.23
Salaries of officers detailed to discharge vessels.....	1,435.55
Total.....	13,527,345.09
Iloilo:	
Duties on merchandise imported for immediate consumption.....	910,834.36
Duties on merchandise withdrawn from warehouse.....	48,119.12
Duties on merchandise exported.....	73,196.19
Wharfage on merchandise exported (sec. 16, Act 230).....	116,056.24
Duties on merchandise sold under chap. 21, Act 355.....	401.20
Tonnage (sec. 14, Act 230).....	6,108.75
Storage, labor, and drayage.....	367.92
Fines, penalties, and forfeitures.....	5,235.15
Licenses issued under sec. 135, Act 355.....	27,275.76
Sales of customs stamps (sec. 284, Act 355).....	13,057.98
Sales of rolls (sec. 143, Act 355).....	1,086.18
Sales of blank forms.....	863.55
Immigration tax (sec. 370, Act 355).....	726.00
Miscellaneous fees (secs. 392 and 393, Act 355).....	6,651.21
Total.....	1,209,979.61
Cebu:	
Duties on merchandise imported for immediate consumption.....	882,244.93
Duties on merchandise withdrawn from warehouse.....	20,214.58
Duties on merchandise exported.....	124,457.80
Wharfage on merchandise exported (sec. 16, Act 230).....	34,639.76
Duties on merchandise sold under chap. 21, Act 355.....	1,757.37
Surplus on same.....	1,242.45
Tonnage (sec. 14, Act 230).....	8,114.92
Storage, labor, and drayage.....	387.85
Fines, penalties, and forfeitures.....	6,400.03
Licenses issued under sec. 135, Act 355.....	24,590.86
Sales of customs stamps (sec. 284, Act 355).....	8,927.92
Sales of rolls (sec. 143, Act 355).....	1,073.05
Sales of blank forms.....	527.25
Immigration tax (sec. 370, Act 355).....	693.76
Miscellaneous fees (secs. 392 and 393, Act 355).....	11,158.53
Total.....	1,126,431.06
NONENTRY PORTS.	
Duties on merchandise imported for immediate consumption.....	18,496.38
Duties on merchandise exported.....	361.00
Wharfage on merchandise exported (sec. 16, Act 230).....	396.78
Duties on merchandise sold under chap. 21, Act 355.....	565.44
Tonnage (sec. 14, Act 230).....	178.42
Storage, labor, and drayage.....	3.82
Fines, penalties, and forfeitures.....	2,780.49
Licenses issued under sec. 135, Act 355.....	29,229.97
Sales of customs stamps (sec. 284, Act 355).....	54,769.22
Sales of rolls (sec. 143, Act 355).....	2,098.85
Sales of blank forms.....	1,471.89
Immigration tax (sec. 370, Act 355).....	57.00
Miscellaneous fees (secs. 392 and 393, Act 355).....	8,916.34
Total.....	119,325.60
COLLECTED IN THE UNITED STATES.	
Duties on merchandise exported under act of Congress March 8, 1902.....	1,265,800.00

WARRANTS ISSUED BY THE INSULAR GOVERNMENT.

Following is a statement by currencies of warrants, accountable and settlement, outstanding at the beginning of the fiscal year, the amount issued, the amount paid, the amount canceled, and the amount outstanding June 30, 1904:

Character of item.	Philippines currency.	Mexican currency.
Outstanding July 1, 1903:		
Accountable.....	₱ 337. 44	\$154,709. 12
Settlement.....	16,297. 02	30,707. 39
Issued during fiscal year 1904:		
Accountable.....	51,754,180. 99	7,783,943. 77
Settlement.....	7,496,977. 04	795,423. 73
Total.....	59,267,792. 49	8,764,784. 01
Paid during fiscal year:		
Accountable.....	51,558,518. 29	7,936,991. 30
Settlement.....	7,479,014. 19	826,109. 69
Canceled during fiscal year:		
Accountable.....	58,823. 52	1,661. 50
Settlement.....	523. 79	.....
Outstanding June 30, 1904:		
Accountable.....	137,176. 62	.....
Settlement.....	33,736. 06	21. 43
Total.....	59,267,792. 49	8,764,784. 01

SPECIAL PROPERTY AND DEPOSIT ACCOUNT.

As shown by previous reports, there remained in the possession of the treasurer of the islands on June 30, 1903, certain remaining items of Spanish seized funds and special deposits, which were considered as property and carried on a special account as such. During the present fiscal year various sales were made under the authority contained in Act 608 of the Commission, and the proceeds, amounting to ₱283,721.90 Philippine currency, and pfs. 2,551.45 Mexican currency, deposited in the treasury to the credit of the general revenue account.

INSULAR REVENUES.

The following statements, tabulated by departments, bureaus, and offices, show the revenues, under appropriate classifications, derived from insular sources during the fiscal year 1904.

The accounts are stated entirely in Philippines currency in order to present the statistical features of the report in a more intelligible manner. The amounts received in Mexican and Spanish-Filipino currency from the several revenue officers have been reduced to Philippines currency value and included in that currency expression at the ratio of 1.10 to 1, this being the ratio in effect June 30 and approximately an average ratio for the transactions of the fiscal year. For the purpose of determining the United States currency equivalent of the revenues, the amounts as stated in Philippines currency may be reduced at the fixed and permanent ratio of 2 to 1.

DEPARTMENT OF FINANCE AND JUSTICE.

BUREAU OF CUSTOMS AND IMMIGRATION.

Source of revenue.		Philippines currency.
PORTS OF ENTRY.		
Manila:		
Duties on merchandise imported for immediate consumption.....		P10,972,458.81
Duties on merchandise withdrawn from warehouse.....		447,330.51
Duties on merchandise exported.....		1,255,753.86
Wharfage on merchandise exported (sec. 16, Act 230).....		275,425.86
Duties on merchandise sold under chap. 21, Act 355.....		5,505.26
Surplus on same.....		1,825.66
Tonnage (sec. 14, Act 230).....		124,628.91
Storage, labor, and drayage.....		24,349.91
Fines, penalties, and forfeitures.....		50,143.97
Licenses issued under sec. 135, Act 355.....		102,758.20
Sales of customs stamps (sec. 284, Act 355).....		51,814.00
Sales of rolls (sec. 143, Act 355).....		558.48
Sales of blank forms.....		1,553.85
Immigration tax (sec. 370, Act 355).....		37,844.13
Chinese registration (Act 702).....		47,662.90
Miscellaneous fees (secs. 392 and 393, Act 355).....		66,295.23
Salaries of officers detailed to discharge vessels.....		1,435.55
Total.....		13,527,345.09
Iloilo:		
Duties on merchandise imported for immediate consumption.....		910,834.36
Duties on merchandise withdrawn from warehouse.....		48,119.12
Duties on merchandise exported.....		73,196.19
Wharfage on merchandise exported (sec. 16, Act 230).....		116,056.24
Duties on merchandise sold under chap. 21, Act 355.....		401.20
Tonnage (sec. 14, Act 230).....		6,108.75
Storage, labor, and drayage.....		367.92
Fines, penalties, and forfeitures.....		5,235.15
Licenses issued under sec. 135, Act 355.....		27,275.76
Sales of customs stamps (sec. 284, Act 355).....		13,057.98
Sales of rolls (sec. 143, Act 355).....		1,086.18
Sales of blank forms.....		863.55
Immigration tax (sec. 370, Act 355).....		726.00
Miscellaneous fees (secs. 392 and 393, Act 355).....		6,651.21
Total.....		1,209,979.61
Cebu:		
Duties on merchandise imported for immediate consumption.....		882,244.93
Duties on merchandise withdrawn from warehouse.....		20,214.58
Duties on merchandise exported.....		124,457.80
Wharfage on merchandise exported (sec. 16, Act 230).....		34,639.76
Duties on merchandise sold under chap. 21, Act 355.....		1,757.37
Surplus on same.....		1,242.45
Tonnage (sec. 14, Act 230).....		8,114.92
Storage, labor, and drayage.....		387.85
Fines, penalties, and forfeitures.....		6,400.03
Licenses issued under sec. 135, Act 355.....		24,590.86
Sales of customs stamps (sec. 284, Act 355).....		8,927.92
Sales of rolls (sec. 143, Act 355).....		1,073.05
Sales of blank forms.....		527.25
Immigration tax (sec. 370, Act 355).....		693.76
Miscellaneous fees (secs. 392 and 393, Act 355).....		11,158.53
Total.....		1,126,431.06
NONENTRY PORTS.		
Duties on merchandise imported for immediate consumption.....		18,496.38
Duties on merchandise exported.....		351.00
Wharfage on merchandise exported (sec. 16, Act 230).....		396.78
Duties on merchandise sold under chap. 21, Act 355.....		565.44
Tonnage (sec. 14, Act 230).....		178.42
Storage, labor, and drayage.....		3.82
Fines, penalties, and forfeitures.....		2,780.49
Licenses issued under sec. 135, Act 355.....		29,229.97
Sales of customs stamps (sec. 284, Act 355).....		54,769.22
Sales of rolls (sec. 143, Act 355).....		2,098.85
Sales of blank forms.....		1,471.89
Immigration tax (sec. 370, Act 355).....		57.00
Miscellaneous fees (secs. 392 and 393, Act 355).....		8,916.34
Total.....		119,325.60
COLLECTED IN THE UNITED STATES.		
Duties on merchandise exported under act of Congress March 8, 1902.....		1,265,809.72

Summary of customs collections.

Source of revenue.	Philippines currency.
Duties on merchandise imported for immediate consumption	P 12,784,034.48
Duties on merchandise withdrawn from warehouse	515,664.21
Duties on merchandise exported	1,453,768.85
Wharfage on merchandise exported (sec. 16, Act 230)	426,518.64
Duties on merchandise sold under chap. 21, Act 355	8,229.27
Surplus on same	3,068.11
Tonnage (sec. 14, Act 230)	139,031.00
Storage, labor, and drayage	25,109.50
Fines, penalties, and forfeitures	64,559.64
Licenses issued under sec. 135, Act 355	243,854.79
Sales of customs stamps (sec. 284, Act 355)	128,569.12
Sales of rolls (sec. 143, Act 355)	4,816.56
Sales of blank forms	4,416.54
Immigration tax (sec. 370, Act 355)	39,320.89
Chinese registration (Act 702)	47,662.90
Miscellaneous fees (secs. 392 and 393, Act 355)	93,021.31
Salaries of officers detailed to discharge vessels	1,435.55
Duties collected in the United States on exports to that country	1,265,809.72
Total	17,248,891.08

CUSTOMS REFUNDS.

During the fiscal year refunds of customs collections were made as follows:

Source of revenue.	Philippines currency.
<i>Fiscal year 1904.</i>	
Manila:	
Import duties	P 26,790.60
Export duties	3,732.70
Wharfage	577.71
Surplus on customs auction sales	358.76
Tonnage	24.84
Storage, labor, and drayage	6.99
Fines, penalties, and forfeitures	13.04
Licenses issued under section 135, Act 355	68.32
Miscellaneous fees	110.00
	31,682.96
Iloilo:	
Import duties	1,364.24
Export duties	39.28
Wharfage	58.92
	1,462.44
Cebu:	
Import duties	528.12
Export duties	169.26
Wharfage	9.56
Surplus on customs auction sales	1,108.13
Miscellaneous fees	30.00
	1,845.07
Nonentry ports:	
Import duties	25.22
Fines, penalties, and forfeitures	300.00
Sales of customs stamps	1,318.54
	1,643.76
Total refunds of 1904 collections	36,634.23
<i>Fiscal year 1903 and prior years.</i>	
Manila:	
Import duties	26,959.54
Export duties	241.00
Surplus on customs auction sales	3,756.24
Storage, labor, and drayage	194.22
Fines, penalties, and forfeitures	5,830.68
Licenses issued under section 135, Act 355	2,578.76
	39,560.44

Source of revenue.	Philippines currency.
<i>Fiscal year 1903 and prior years—Continued.</i>	
Iloilo:	
Import duties	₱ 389.46
Export duties	290.66
Licenses issued under section 133, Act 355	7.94
Miscellaneous fees	33.00
	<u>721.06</u>
Cebu:	
Import duties	814.32
Total refunds of 1903 and prior years' collections	<u>41,095.82</u>
Total customs collections refunded in 1904	<u>77,730.05</u>

CUSTOMS REVENUE STAMP ACCOUNT.

Under the provisions of the customs administrative act stamps of certain denominations are required to be affixed to documents pertaining to the customs service. These stamps are furnished by the collector of customs for the islands, and to various agents appointed by him, who are accountable to the collector.

Following is a statement of the customs revenue stamp account for the fiscal year 1904:

Item and date.	Philippines currency.
DEBIT.	
Value of stamp stock on hand June 30, 1903	₱ 271,160.00
Received from public printer:	
September, 1903	₱ 40,000.00
January, 1904	16,000.00
	<u>56,000.00</u>
Returned by customs officers, September, 1903	<u>676.00</u>
	<u>327,836.00</u>
CREDIT.	
Value of stamp stock sent to customs officers:	
July, 1903	₱ 7,300.00
August, 1903	12,223.00
September, 1903	5,252.00
October, 1903	9,334.00
November, 1903	9,250.00
December, 1903	5,544.00
January, 1904	9,928.20
February, 1904	14,359.40
March, 1904	10,778.00
April, 1904	8,634.00
May, 1904	9,582.00
June, 1904	11,843.00
	<u>114,027.60</u>
Value of stamp stock on hand June 30, 1904	<u>213,808.40</u>
Total	<u>327,836.00</u>

Summary of customs collections.

Source of revenue.	Philippines currency.
Duties on merchandise imported for immediate consumption	P 12,784,034.48
Duties on merchandise withdrawn from warehouse	515,664.21
Duties on merchandise exported	1,453,768.85
Wharfage on merchandise exported (sec. 16, Act 230)	426,518.64
Duties on merchandise sold under chap. 21, Act 355	8,229.27
Surplus on same	3,068.11
Tonnage (sec. 14, Act 230)	139,031.00
Storage, labor, and drayage	25,109.50
Fines, penalties, and forfeitures	64,559.64
Licenses issued under sec. 135, Act 355	243,854.79
Sales of customs stamps (sec. 284, Act 355)	128,569.12
Sales of rolls (sec. 143, Act 355)	4,516.56
Sales of blank forms	4,416.54
Immigration tax (sec. 370, Act 355)	39,320.89
Chinese registration (Act 702)	47,682.90
Miscellaneous fees (secs. 392 and 393, Act 355)	93,021.31
Salaries of officers detailed to discharge vessels	1,435.55
Duties collected in the United States on exports to that country	1,265,809.72
Total	17,248,891.08

CUSTOMS REFUNDS.

During the fiscal year refunds of customs collections were made as follows:

Source of revenue.	Philippines currency.
<i>Fiscal year 1904.</i>	
Manila:	
Import duties	P 26,790.60
Export duties	3,732.70
Wharfage	577.71
Surplus on customs auction sales	358.76
Tonnage	24.84
Storage, labor, and drayage	6.99
Fines, penalties, and forfeitures	13.04
Licenses issued under section 135, Act 355	68.32
Miscellaneous fees	110.00
	31,682.96
Iloilo:	
Import duties	1,364.24
Export duties	29.28
Wharfage	58.92
	1,452.44
Cebu:	
Import duties	526.12
Export duties	169.26
Wharfage	9.56
Surplus on customs auction sales	1,108.13
Miscellaneous fees	30.00
	1,843.07
Nonentry ports:	
Import duties	
Fines, penalties, and forfeitures	
Sales of customs stamps	
Total refunds of 1904 collections	34,978.47
<i>Fiscal year 1903 and prior years.</i>	
Manila:	
Import duties	
Export duties	
Surplus on customs auction sales	
Storage, labor, and drayage	
Fines, penalties, and forfeitures	
Licenses issued under section 135, Act 355	

Source of revenue.	Philippines currency.
<i>Fiscal year 1903 and prior years—Continued.</i>	
Iloilo:	
Import duties	P289.46
Export duties	290.66
Licenses issued under section 135, Act 355	7.94
Miscellaneous fees	33.00
	721.06
Cebu:	
Import duties	814.32
Total refunds of 1903 and prior years' collections	41,095.82
Total customs collections refunded in 1904	77,730.05

CUSTOMS REVENUE STAMP ACCOUNT.

Under the provisions of the customs administrative act stamps of certain denominations are required to be affixed to documents pertaining to the customs service. These stamps are furnished by the collector of customs for the islands, and to various agents appointed by him, who are accountable to the collector.

Following is a statement of the customs revenue stamp account for the fiscal year 1904:

Item and date.	Philippines currency.
DEBIT.	
Value of stamp stock on hand June 30, 1903	P271,581.96
Received from public printer:	
September, 1903	P40,000.00
January, 1904	16,000.00
Returned by customs officers, September, 1903	35,000.00
	25,000.00
CREDIT.	
Value of stamp stock sent to customs officers:	
July, 1903	P2,200.00
August, 1903	12,000.00
September, 1903	1,000.00
October, 1903	8,000.00
November, 1903	8,000.00
December, 1903	8,000.00
January, 1904	8,000.00
February, 1904	8,000.00
March, 1904	8,000.00
April, 1904	8,000.00
May, 1904	8,000.00
June, 1904	8,000.00
Value of stamp stock on hand June 30, 1904	
Total	

MISCELLANEOUS REVENUES.

Source of revenue.	Philippines currency.
Bureau of the insular treasurer—Sale of blank forms	P 40,973. 86
Bureau of the insular cold-storage and ice plant:	
Sales of ice.....	332,243. 80
Sales of distilled water.....	8,201. 60
Cold storage furnished.....	272,357. 03
Miscellaneous sources.....	2,286. 92
	615,089. 35
Bureau of justice:	
Notarial and judicial fees.....	141,947. 09
Sales of codes.....	198. 00
	142,145. 09

DEPARTMENT OF THE INTERIOR.

MISCELLANEOUS REVENUES.

Source of revenue.	Philippines currency.
Board of health for the Philippine Islands:	
Laboratory, veterinary, and other fees	P 17,506. 12
Dental examination fees.....	820. 00
Medical examination fees.....	1,542. 95
Pharmaceutical examination fees.....	1,316. 00
	21,185. 07
Forestry bureau—Sales of manufactured articles, etc.....	1,928. 53
Mining bureau—Transcripts of records.....	35. 64
Bureau of public lands:	
Receipts from San Lazaro estate.....	34,209. 16
Certification of titles.....	106. 48
	34,315. 64
Bureau of patents, copyrights, and trade-marks—Fees for filing patents, etc.....	12,728. 36
Bureau of government laboratories—Fees for analyses and examinations and sale of serums and prophylactics.....	42,568. 48
Bureau of agriculture—Sale of farm products.....	9,036. 88
Philippine civil hospital—Subsistence and attendance.....	41,284. 95
Civil sanitarium, Benguet—Subsistence and attendance.....	11,388. 53

WORK DONE BY BUREAU OF GOVERNMENT LABORATORIES FOR OTHER BUREAUS AND
OFFICES OF THE INSULAR GOVERNMENT.

Under the provisions of Act 807, Philippine Commission, the bureau of government laboratories is authorized and directed to make such analyses and examinations and to furnish such vaccines, serums, and prophylactics as may be required by each bureau and office of the insular government in the transaction of its official business, without charge therefor, and the superintendent of government laboratories is required to furnish the insular auditor with a statement of such work done to the close of each fiscal year, according to the official scale of charges fixed for the same.

The act further provides for cash collections for certain work, which are accounted for in this report under miscellaneous revenues.

The following is a statement of account of work done without charge during the fiscal year ended June 30, 1904:

Bureau or office.	Philippines currency.
Philippine civil hospital.....	₱9,410.26
Exposition board.....	311.82
Bureau of public instruction.....	662.99
Bureau of public printing.....	45.45
Bureau of customs and immigration.....	2,151.41
Benguet road.....	15.91
Board of health.....	53,292.11
Improvement of the port, Manila.....	90.91
Bilibid Prison.....	1,201.64
Bureau of agriculture.....	2,892.84
Mining bureau.....	610.82
Ethnological survey.....	505.55
Forestry bureau.....	950.82
Secretary of the interior.....	140.32
Civil governor.....	3.12
Bureau of architecture.....	10.00
Government carabaos.....	5,757.00
Insular treasurer.....	140.00
Insular purchasing agent.....	255.00
Civil sanitarium, Benguet.....	25.00
Bureau of engineering.....	110.00
Consulting engineer.....	30.00
Coast and geodetic survey.....	37.00
Civil-service board.....	6.00
Bureau of coast guard and transportation.....	50.00
Quarantine service.....	3.00
Total.....	78,708.97

As authorized by resolution of the Commission of May 23, 1903, additional work to the value of ₱29.18 was performed without charge for the Settlement House, Manila, an institution for the gratuitous medical treatment of indigent natives.

DEPARTMENT OF COMMERCE AND POLICE.

THE POST-OFFICE SERVICE.

The postal service of the Philippine Islands is conducted on the same basis as that of the United States. No postal laws and regulations have been promulgated, but the regulations of the United States are necessarily applied as far as practicable. All expenditures are made pursuant to appropriations, but each postmaster under specific authority of the director of posts, as provided in rule 34 of Act No. 90, pays the expenses of his office out of its receipts, or, if his revenues are sufficient, from funds transferred to him by the postmaster at Manila, the designated depository for postal revenues. The receipts and expenditures of the postal service are covered into and withdrawn from the insular treasury by warrant and counter warrant, as provided in rule 37 of the act above cited, when the accounts for a quarter are audited and certified.

Following is a statement of the postal revenues collected at the various post-offices in the islands during the fiscal year 1904:

[In Philippines currency.]

Post-office.	Stamp stock sold.	Postage on second-class matter.	Waste paper sold and miscellaneous receipts.	Box rent.	Total.
Abucay.....	₱76.58				₱76.58
Abulug.....	208.58				208.58
Agno.....	1.28				1.28
Agoo.....	50.90				50.90
Alaminos.....	78.12				78.12
Albay.....	321.12				321.12
Alcala, Cagayan.....	108.90				108.90
Alcala, Pangasinan.....	97.64				97.64
Alfonso.....	4.56				4.56
Aliaga.....	4.30				4.30
Allen.....	5.60				5.60
Amulung.....	.64				.64
Anda.....	1.80				1.80
Angadanan.....	.18				.18
Angeles.....	1,519.44				1,519.44
Apalit.....	39.72				39.72
Aparri.....	905.10				905.10
Arayat.....	233.38				233.38
Argao.....	68.36				68.36
Aringay.....	50.00				50.00
Asingan.....	3.18				3.18
Atimonan.....	347.64				347.64
Bacay.....	1.70				1.70
Bacarra.....	52.38				52.38
Bacnotan.....	179.72				179.72
Bacolod.....	163.52	₱111.52			1,074.70
Bacolor.....	346.82				346.82
Bacon, Occidental Negros.....	106.60				106.60
Bacon, Sorsogon.....	162.90				162.90
Bacoor.....	72.12				72.12
Badoc.....	2.46				2.46
Bagabag.....	1.68				1.68
Baggao.....	1.06				1.06
Baguio.....	434.64				434.64
Bais.....	113.32				113.32
Balanga.....	319.20				319.20
Balangiga.....	.06				.06
Balaon.....	18.66				18.66
Balayan.....	146.38				146.38
Baler.....	61.20				61.20
Baliuag.....	308.42				308.42
Bamban.....	6.70				6.70
Bangar.....	34.90				34.90
Bangued.....	168.30				168.30
Bani.....	2.80				2.80
Bantayan.....	.32				.32
Barcelona.....	3.50				3.50
Barugo.....	10.14				10.14
Basey.....	7.20				7.20
Batac.....	2.90				2.90
Batangas.....	1,977.78		₱4.64		1,982.42
Bauan.....	6.68				6.68
Bauang.....	25.38				25.38
Bautista.....	910.86				910.86
Bay.....	291.54				291.54
Bayambang.....	1,049.28		1.40		1,050.68
Baybay.....	44.66				44.66
Bayombong.....	127.58				127.58
Bigaa.....	65.34				65.34
Binalonan.....	168.66				168.66
Binan.....	141.02				141.02
Binangonan.....	4.00				4.00
Binmaley.....	4.40				4.40
Boca.....	288.36				288.36
Bocane.....	134.32				134.32
Bolinao.....	22.10				22.10
Bongabon.....	4.62				4.62
Bongao.....	64.50				64.50
Bontoc.....	53.64				53.64
Borongan.....	176.14				176.14
Botolan.....	53.08				53.08
Buena Vista.....	1,104.98				1,104.98
Buhi.....	4.62				4.62
Bulacan.....	212.42				212.42
Bulan.....	11.76				11.76
Cabagan, Nuevo.....	122.94				122.94

Post-office.	Stamp stock sold.	Postage on second- class mat- ter.	Waste paper sold and mis- cellaneous receipts.	Box rent.	Total.
Cabagan, Viejo.....	₱0.24				₱0.24
Cabanatuan.....	76.08				76.08
Cabagan.....	20.00				20.00
Cabuyao.....	154.36				154.36
Cagayan.....	513.50				513.50
Calabanga.....	81.24				81.24
Calaca.....	1.28				1.28
Calamba.....	721.50				721.50
Calapan.....	280.12				280.12
Calasiao.....	129.24				129.24
Calauag.....	1.54				1.54
Calauan.....	149.40				149.40
Calbayog.....	2,692.60		₱216.84		2,909.44
Calico.....	88.90				88.90
Caloocan.....	11.66				11.66
Calumpit.....	88.94				88.94
Camalanligan.....	1.20				1.20
Camalig.....	109.96				109.96
Camiling.....	8.92				8.92
Camp Jossman.....	420.66				420.66
Camp Marahui.....	162.40				162.40
Camp Overton.....	1,039.14				1,039.14
Camp Stotsenburg.....	805.42				805.42
Camp Vicars.....	704.24				704.24
Candaba.....	234.84				234.84
Candon.....	118.06				118.06
Capas.....	144.70				144.70
Capiz.....	515.96				515.96
Carigara.....	125.20				125.20
Carmona.....	3.34				3.34
Casiguran.....	5.78				5.78
Castilla.....	.98				.98
Castillejos.....	72.20				72.20
Catangaan.....	29.26				29.26
Catanauan.....	.48				.48
Catarman.....	2.38				2.38
Catbalogan.....	491.60				491.60
Cauayan.....	2.82				2.82
Cavite.....	7,726.94		19.00		7,745.94
Cebu.....	5,952.98	₱199.48		₱300.00	6,452.46
Cervantes.....	321.90				321.90
Concepcion.....	85.82				85.82
Coron.....	15.72				15.72
Corregidor.....	482.28				482.28
Cotabato.....	993.04				993.04
Cuyape.....	114.02				114.02
Cuyo.....	119.40		.08		119.48
Daet.....	505.74				505.74
Dagupan.....	1,304.42		3.50		1,307.92
Dalaguete.....	100.86				100.86
Dapitan.....	5.32				5.32
Daraga.....	69.26				69.26
Davao.....	347.92				347.92
Dinalupijan.....	38.38				38.38
Dingras.....	64.06				64.06
Donsol.....	3.00				3.00
Dumaguete.....	886.72	2.14			888.86
Dumanjug.....	45.96				45.96
Dupax.....	2.00				2.00
Echague.....	178.06				178.06
Enrile.....	1.48				1.48
Escalante.....	21.68				21.68
Florida Blanca.....	.38				.38
Gamu.....	.26				.26
Gandara.....	23.16				23.16
Gapan.....	1.42				1.42
Gattaran.....	1.38				1.38
Guagua.....	104.22				104.22
Gubat.....	2.98				2.98
Guimayanggan.....	2.18				2.18
Guimobatan.....	370.44				370.44
Guiman.....	.60				.60
Hagonoy.....	70.00				70.00
Iba.....	176.36				176.36
Ibaan.....	1.80		.16		1.96
Iguig.....	8.04				8.04
Iligan.....	304.02				304.02
Iligan.....	2,428.74				2,428.74
Iloilo.....	9,514.70	180.64		1,912.72	11,608.06
Imus.....	191.86				191.86
Indang.....	150.90		.04		150.90
Infanta.....	6.02				6.02

Post-office.	Stamp stock sold.	Postage on second-class matter.	Waste paper sold and miscellaneous receipts.	Box rent.	Total.
Iriga.....	P65.72				P65.72
Irosin.....	2.96				2.96
Jolo.....	2,470.32				2,470.32
Jovellar.....	.76				.76
Juban.....	.50				.50
La Carlota.....	40.04				40.04
Laguimanoc.....	6.56				6.56
Lallo.....	67.46				67.46
Laoag.....	565.82		P22.50	P131.62	719.94
Lao-ang.....	268.38				268.38
Lapo.....	34.68				34.68
Legaspi.....	1,632.34		.40	373.64	2,006.38
Libmanan.....	87.00				87.00
Libog.....	200.30				200.30
Libon.....	.90				.90
Licab.....	.80				.80
Ligao.....	266.14				266.14
Lillo.....	71.00				71.00
Linganen.....	701.44				701.44
Lipa.....	392.30				392.30
Loay.....	5.64				5.64
Loboos.....	3.52				3.52
Lopez.....	63.40				63.40
Los Baños.....	543.78				543.78
Lubang.....	3.46				3.46
Lubao.....	33.72				33.72
Lucban.....	75.21				75.21
Lucena.....	1,087.58				1,087.58
Luisiana.....	3.38				3.38
Lumban.....	2.20				2.20
Maasin.....	100.14				100.14
Mabacat.....	8.00				8.00
Mabatang.....	8.84				8.84
Mabitac.....	2.90				2.90
Macabebe.....	115.52				115.52
Magalan.....	2.50				2.50
Magallanes.....	6.78				6.78
Magarao.....	41.12				41.12
Magdalena.....	65.80				65.80
Magsingal.....	1.80				1.80
Majuyjay.....	87.68				87.68
Malabang.....	2,067.60			2.00	2,069.60
Malabon.....	77.66				77.66
Malahi Island.....	871.34				871.34
Malisiqui.....	11.24				11.24
Malilipot.....	33.40				33.40
Malinao.....	10.31				10.31
Malolos.....	497.94				497.94
Mambajao.....	36.90				36.90
Manaoag.....	256.46				256.46
Mandaon.....	.40				.40
Mandaue.....	.70				.70
Mangaldan.....	70.86				70.86
Mangatarem.....	5.00				5.00
Manila.....	125,137.49	P5,274.94	167.70	9,880.20	140,460.33
Manito.....	.80				.80
Maragondon.....	21.88				21.88
Maribojoc.....	104.56				104.56
Mariquina.....	163.16				163.16
Mariveles.....	67.10				67.10
Masbate.....	158.08				158.08
Masinloc.....	.54				.54
Maunanan.....	.10				.10
Mauban.....	55.70				55.70
Mexico.....	225.62				225.62
Milagros.....	1.50				1.50
Misamis.....	180.22				180.22
Mogpog.....	.54				.54
Moncada.....	106.42				106.42
Morong.....	3.70				3.70
Mulanay.....	26.90				26.90
Murcia.....	4.00				4.00
Nabua.....	43.82				43.82
Nagcarlan.....	20.26				20.26
Naguilian, Isabela.....	1.10				1.10
Naguilian, Union.....	7.74				7.74
Nale.....	134.78				134.78
Namacpacan.....	32.62				32.62
Narvacan.....	36.32				36.32
Nasugbu.....	231.76				231.76
Noveleta.....	2.66				2.66

Post-office.	Stamp stock sold.	Postage on second- class mat- ter.	Waste paper sold and mis- cellaneous receipts.	Box rent.	Total.
Nueva Caceres.....	₱1,402.70	₱64.46			₱1,467.16
Nueva Valencia.....	82.28				82.28
Oas.....	58.24				58.24
Olongapo.....	1,755.52				1,755.52
Orani.....	47.94				47.94
Oras.....	.80				.80
Orion.....	106.38				106.38
Ormoc.....	954.94				954.94
Oroquieta.....	152.64				152.64
Oslob.....	.44				.44
Paete.....	279.64				279.64
Paghalao.....	3.08				3.08
Pagsanjan.....	370.52				370.52
Palo.....	71.48				71.48
Pamplona.....	4.08				4.08
Pandan.....	39.66				39.66
Pangil.....	17.20				17.20
Paniqui.....	73.78				73.78
Paquil.....	228.64				228.64
Parang-Parang.....	569.26				569.26
Paranaque.....	70.16				70.16
Pasacao.....	33.62				33.62
Pasay.....	1.78				1.78
Pasig.....	187.80				187.80
Pasuquin.....	6.28				6.28
Pateros.....	2.72				2.72
Penaranda.....	3.72				3.72
Piat.....	5.10				5.10
Pila.....	173.96				173.96
Pilar.....	12.86				12.86
Pililla.....	1.18				1.18
Pitogo.....	12.76				12.76
Polangui.....	39.92				39.92
Pontevedra.....	.18				.18
Porac.....	206.34				206.34
Pozorrubio.....	315.60				315.60
Prieto Dias.....	.98				.98
Puerto Princesa.....	312.74				312.74
Pulanduta.....	.24				.24
Pura.....	83.66				83.66
Rapu-Rapu.....	3.28				3.28
Romblon.....	221.66		₱10.60		232.26
Rosales.....	78.48				78.48
Rosario, Batangas.....	2.30				2.30
Rosario, Cavite.....	62.42				62.42
Salasa.....	4.64				4.64
Salomague.....	732.02				732.02
Samal.....	8.40				8.40
San Antonio, Nueva Ecija.....	3.24				3.24
San Antonio, Zambales.....	14.00				14.00
San Carlos, Occidental Negros.....	193.56				193.56
San Carlos, Pangasinan.....	93.32				93.32
San Esteban.....	21.10				21.10
San Fabian.....	38.66				38.66
San Felipe, NerI.....	.66				.66
San Felipe, Zambales.....	28.26				28.26
San Fernando, Masbate.....	37.48				37.48
San Fernando, Pampanga.....	536.90				536.90
San Fernando, Union.....	1,466.44			₱182.50	1,648.94
San Francisco, Cavite.....	309.42				309.42
San Isidro, Nueva Ecija.....	610.00				610.00
San Isidro, Pangasinan.....	10.08				10.08
San Jacinto.....	1.54				1.54
San Jose, Antique.....	211.44				211.44
San Jose, Batangas.....	1.04				1.04
San Jose, Nueva Ecija.....	27.52				27.52
San Jose, de Lagonoy.....	99.44				99.44
San Juan.....	3.92				3.92
San Juan de Guimba.....	18.80				18.80
San Luis.....	18.72				18.72
San Marcelino.....	10.56				10.56
San Mateo.....	551.66				551.66
San Miguel.....	148.58				148.58
San Narciso.....	84.64				84.64
San Nicolas.....	35.40				35.40
San Pablo.....	198.88				198.88
San Pedro Macati.....	5.62				5.62
San Pedro Tumasán.....	129.96				129.96
Santa.....	6.50				6.50
Santa Cruz, Cavite.....	215.96				215.96
Santa Cruz, Ilocos Sur.....	1.00				1.00
Santa Cruz, Laguna.....	425.12				425.12

Post-office.	Stamp stock sold.	Postage on second-class matter.	Waste paper sold and miscellaneous receipts.	Box rent.	Total.
Santa Cruz, Tayabas.....	P11.20				P11.20
Santa Lucia.....	1.20				1.20
Santa Maria, Ilocos Sur.....	113.72		P0.20		113.92
Santa Maria, Isabela.....	1.08				1.08
Santa Rita.....	.90				.90
Santo Niño.....	.02				.02
Santa Rosa.....	188.42				188.42
Santo Tomas, Batangas.....	266.94				266.94
Santo Tomas, Pampanga.....	10.50				10.50
Santo Tomas, Union.....	10.52				10.52
Sariaya.....	236.82				236.82
Siasi.....	12.66				12.66
Sibonga.....	42.94				42.94
Sihang.....	14.28				14.28
Silay.....	2.64				2.64
Siniloan.....	61.36				61.36
Solana, Cagayan.....	5.62				5.62
Solano, Nueva Viscaya.....	2.38				2.38
Sorsogon.....	1,477.56		.25		1,477.81
Sual.....	10.34				10.34
Subic.....	182.18				182.18
Surigao.....	508.62				508.62
Taal.....	84.22				84.22
Tabaco.....	464.02		3.40		467.42
Tacloban.....	1,646.00				1,646.00
Tagbilaran.....	331.20				331.20
Tagudin.....	20.50				20.50
Talavera.....	.70				.70
Talisay.....	1.84				1.84
Tanauan.....	150.18				150.18
Tanay.....	9.38				9.38
Tarlac.....	512.18				512.18
Tayabas.....	109.18				109.18
Taytay.....	.70				.70
Tayug.....	215.92				215.92
Tiaong.....	6.58				6.58
Tigaon.....	70.14				70.14
Tivi.....	46.08				46.08
Torrijos.....	.94				.94
Tuao.....	.42				.42
Tubao.....	.18				.18
Tubigon.....	8.56				8.56
Tuguegarao.....	513.52	P1.24			514.76
Tumauini.....	71.72				71.72
Twin Peaks.....	1,608.12				1,608.12
Umingan.....	25.12				25.12
Urdaneta.....	18.66				18.66
Uson.....	18.92				18.92
Valladolid.....	4.46				4.46
Victorias.....	1.42				1.42
Vigan.....	828.60				828.60
Villa Real.....	9.86				9.86
Villasis.....	2.72				2.72
Vintar.....	8.38				8.38
Virac.....	93.98				93.98
Zamboanga.....	2,613.84	4.68			2,618.52
Money order fees transferred.....					24,142.34
Total.....	224,354.61	5,839.10	452.71	P12,780.68	267,569.44

Stamp account of the chief of the division of stamps and supplies, bureau of posts.

Item and date.	Philippines currency.
DEBIT.	
Stock on hand July 1, 1903.....	P391,294.54
Received from the United States Post-Office Department:	
July, 1903.....	P8,874.30
September, 1903.....	110,860.00
November, 1903.....	6,135.40
January, 1904.....	134,030.26
May, 1904.....	22.40
	259,922.36

Stamp account of the chief of the division of stamps and supplies, bureau of posts—Continued.

Item and date.	Philippines currency.
DEBIT—continued.	
Stock returned to postmasters:	
July, 1903.....	₱1,315.34
August, 1903.....	1,018.24
September, 1903.....	161.64
October, 1903.....	115.72
November, 1903.....	205.10
December, 1903.....	59.14
January, 1904.....	370.96
February, 1904.....	151.00
March, 1904.....	565.20
April, 1904.....	81.88
May, 1904.....	825.04
June, 1904.....	588.94
	₱5,458.20
	656,675.10
CREDIT.	
Stock transferred to postmasters:	
July, 1903.....	15,640.94
August, 1903.....	18,071.50
September, 1903.....	19,583.58
October, 1903.....	18,242.98
November, 1903.....	21,942.46
December, 1903.....	19,975.28
January, 1904.....	20,962.16
February, 1904.....	18,424.54
March, 1904.....	22,017.88
April, 1904.....	21,362.96
May, 1904.....	16,233.32
June, 1904.....	17,540.18
	229,997.78
Returned to United States Post-Office Department.....	42.40
Damaged stock destroyed by committee.....	1,005.00
Stock on hand June 30, 1904.....	425,629.92
Total.....	656,675.10

MISCELLANEOUS REVENUES.

Source of revenue.	Philippines currency.
Signal service—Telegraph and telephone tolls.....	₱116,923.95
Bureau of prisons:	
Maintenance of prisoners.....	92,541.70
Sales of prison-made articles and laundry work.....	38,737.36
Confiscations from prisoners.....	126.73
Miscellaneous.....	169.12
	131,574.91

DEPARTMENT OF PUBLIC INSTRUCTION, MISCELLANEOUS REVENUES.

Source of revenue.	Philippines currency.
Bureau of printing—Receipts from printing, binding, electrotyping, etc., not furnished under allotment.....	₱118,686.96
Bureau of archives—Miscellaneous fees.....	1,759.75
Official Gazette—Receipts from sales and subscriptions.....	20,580.42

PRINTING FURNISHED BY THE BUREAU OF PUBLIC PRINTING UNDER ALLOTMENTS.

In addition to the printing and binding executed for cash by the bureau of public printing during the fiscal year ended June 30, 1904, it furnished under allotments to the various departments, bureaus,

and offices of the insular government printing and binding to the value of ₱410,837.86, Philippines currency, distributed as follows:

Department, bureau, etc.	Philippines currency.
Executive:	
Executive bureau.....	₱88,811.00
Philippine civil-service board.....	14,414.90
Bureau of insular purchasing agent.....	6,820.90
Office of improvement of the port of Manila.....	271.80
Exposition board.....	9,831.70
Total.....	120,150.30
Department of the interior:	
Board of health for the Philippine Islands.....	18,656.90
Quarantine service.....	1,940.00
Forestry bureau.....	11,067.20
Mining bureau.....	2,541.70
Philippine weather bureau.....	8,266.60
Bureau of public lands.....	368.00
Bureau of agriculture.....	3,395.00
Ethnological survey for the Philippine Islands.....	719.20
Bureau of government laboratories.....	11,761.60
Philippine civil hospital.....	759.90
Civil sanitarium, Benguet.....	90.20
Total.....	59,596.30
Department of commerce and police:	
Bureau of posts.....	25,926.34
Signal service.....	1,390.60
Bureau of Philippines constabulary.....	20,673.70
Bureau of prisons.....	2,843.80
Bureau of coast guard and transportation.....	13,733.30
Bureau of coast and geodetic survey.....	2,129.90
Bureau of engineering.....	2,673.60
Office of Benguet improvements.....	5,934.10
Calbayog pier construction.....	32.60
Total.....	75,351.94
Department of finance and justice:	
Office of the secretary.....	357.10
Bureau of insular treasurer.....	17,063.10
Bureau of insular auditor.....	8,819.10
Bureau of customs and immigration.....	48,491.40
Bureau of internal revenue.....	1,850.90
Bureau of insular cold storage and ice plant.....	3,637.10
Supreme court.....	1,136.70
Court of land registration.....	2,045.40
Court of customs appeals.....	36.70
Office of the attorney-general.....	11,580.50
Total.....	95,023.00
Department of public instruction:	
Bureau of education.....	15,118.80
Bureau of public printing.....	9,253.00
Bureau of architecture.....	1,257.10
Bureau of archives.....	341.20
American Circulating Library.....	69.00
The Official Gazette.....	34,197.02
Philippine census bureau.....	265.00
Bureau of patents, copyrights, and trade-marks.....	126.90
Philippine museum.....	86.30
Total.....	60,714.32
Total printing and binding executed under allotments.....	410,837.86

UNASSIGNED SERVICE.

MISCELLANEOUS REVENUES.

Source of revenue.	Philippines currency.
Sale of acts, codes, registers, etc.....	₱4,720.12
Interest on public moneys.....	190,358.22
Provost-court fines.....	1,352.58
Sales of condemned property.....	4,434.23
Spanish seized funds covered into general fund.....	285,591.40
Insurgent seized funds.....	668.51
Unidentified sources.....	3,179.82
Deposits by the eastern extension Australasia and China Telegraph Company, on account of the Hongkong-Manila and Visayan concessions.....	60,833.89
Deposits by the Manila Railway Company on account of franchises granted:	
Stotsenburg branch, 1½ per cent on gross income.....	₱113.36
Cabanatuan branch, 1½ per cent on gross income.....	298.19
	411.55
	551,550.32

RECAPITULATION OF INSULAR RECEIPTS.

Item.	Philippines currency.
Department of finance and justice:	
Customs revenues, after deducting ₱77,730.05, amount of excess collections refunded.....	₱17,171,161.03
Miscellaneous revenues.....	798,208.30
	₱17,969,369.33
Department of the interior—Miscellaneous revenues.....	174,472.08
Department of commerce and police:	
Postal revenues.....	267,569.44
Miscellaneous revenues.....	248,498.86
	516,068.30
Department of public instruction—Miscellaneous revenues.....	141,027.13
Unassigned service—Miscellaneous revenues.....	651,550.32
Total insular receipts.....	19,352,487.16

UNDEPOSITED COLLECTIONS.

The accounts covering the settlements in the foregoing statements of revenues collected show that there were in the hands of collecting officers on June 30, 1904, undeposited balances (net) amounting to ₱302,516.65 Philippine currency and pfs. 36,828.79 Mexican currency.

INSULAR DISBURSEMENTS.

Following are statements, arranged by departments, bureaus, and offices, showing the insular disbursements to June 30, 1904, on account of the fiscal year 1904 and prior fiscal years, from the regular appropriations of the Philippine Commission, whether made by disbursing officers in the islands, by the disbursing agent at Washington, or by settlement warrant. Disbursements from reimbursable appropriations are omitted in these statements, but appear elsewhere under appropriate heads.

The accounts are stated entirely in Philippines currency in order to present the statistical features of the report in a more intelligible manner. The amounts expended in Mexican and Spanish-Filipino currency relate almost entirely to expenditures for the account of prior fiscal years, when the appropriation acts provided that withdrawals and disbursements should be made in that currency except in specific

instances otherwise provided for. The introduction of the new Philippine currency and its sole use in the transactions of the government will shortly eliminate this feature. All such expenditures have been reduced to Philippine currency value and included in that currency expression at the ratio of 1.10 to 1, this being approximately an average ratio for the transactions of the year. For the purpose of determining the United States currency equivalent of the disbursements, the amounts as stated in Philippines currency may be reduced at the fixed and permanent ratio of 2 to 1.

Expenditures during fiscal year 1904 and prior fiscal years.

[In Philippines currency.]

Departments and bureaus.	Fiscal year 1904.	Prior fiscal years.
Philippine Commission:		
Salaries of Commissioners.....	₱74,166.61	₱4,044.28
The executive:		
Salaries of civil governor and secretaries of departments.....	105,250.00	1,750.00
Executive bureau:		
Salaries and wages.....	257,608.91	2,976.40
Transportation.....	1,240.00	27.27
Contingent expenses.....	112,576.56	7,149.94
Contingent expenses, Malacañan Palace.....	1,710.74	10.32
Collecting librarian.....	8,535.29	1,694.80
	381,671.50	11,858.73
Operations under the Bureau of Insular Affairs at Washington, D. C.:		
Salaries and wages.....	1,833.26	.....
Contingent expenses.....	48,524.94	9,952.66
Apprehension of fugitives from justice.....	1,020.00	.....
	51,378.20	9,952.66
Philippine civil-service board:		
Salaries and wages.....	76,752.30	1,999.96
Transportation.....	189.31	71.96
Contingent expenses.....	3,235.38	1,242.28
	80,176.99	3,314.22
Bureau of the insular purchasing agent:		
Salaries and wages.....	386,341.85	3,337.96
Transportation.....	.....	292.83
Contingent expenses.....	233,240.01	45,152.40
Construction of launches.....	45,000.00	.....
	664,581.86	48,783.21
<i>Department of finance and justice.</i>		
Bureau of the insular treasurer:		
Salaries and wages.....	160,834.87	453.30
Transportation.....	21,357.54	343.56
Contingent expenses.....	32,246.24	3,937.56
Contingent expenses, bond premiums.....	77,537.24	.....
	291,975.89	4,734.41
Bureau of the insular auditor:		
Salaries and wages.....	216,201.46	56.47
Transportation.....	738.31	813.52
Contingent expenses.....	3,549.80	624.90
	220,489.57	1,494.89
Bureau of customs and immigration:		
Manila—		
Salaries and wages.....	666,257.20	3,873.75
Transportation.....	4,541.85	597.06
Contingent expenses.....	56,073.07	26,445.74
Launches.....	178,432.83	19,517.04
Chinese registration.....	48,554.03	.....
Special contingent expenses.....	36,879.66	8,909.66
Arraastre plant, excess of expenditures over receipts.....	123.01	.....
	990,861.65	59,343.25

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Departments and bureaus.	Fiscal year 1904.	Prior fiscal years.
Bureau of customs and immigration—Continued.		
Iloilo—		
Salaries and wages.....	P54,274.23	P760.66
Transportation.....	18.00	92.32
Contingent expenses.....	2,230.64	906.99
Launches.....	1,394.20	132.44
	57,917.07	1,892.41
Cebu—		
Salaries and wages.....	48,894.77	3,986.20
Transportation.....	297.70	450.68
Contingent expenses.....	3,675.21	269.62
Launches.....	3,834.19	275.61
	56,701.87	4,531.43
Nonentry ports—		
Salaries and wages.....	91,272.71	5,558.72
Transportation.....	1,709.42	450.68
Contingent expenses.....	4,461.99	36,619.54
Launches.....	415.53	167.29
	97,859.65	42,796.23
Administration expenses of Philippine customs affairs at Washington, D. C.:		
Salaries and wages.....	5,911.02	.....
Transportation.....	123.50	93.90
	6,034.52	93.90
Total disbursements, customs service.....	1,209,374.76	108,657.22
Bureau of internal revenue:		
Salaries and wages.....	3,307.52	1,993.72
Transportation.....	104.43	78.77
Contingent expenses.....	366.46	486.56
	3,778.41	2,559.05
Bureau of the insular cold storage and ice plant:		
Salaries and wages.....	185,391.40	361.02
Contingent expenses.....	174,271.99	46,254.02
Improvement of plant.....	16,714.76	.....
	376,378.15	46,615.04
Bureau of justice:		
Salaries and wages.....	679,917.66	12,903.49
Transportation.....	14,056.46	2,689.13
Contingent expenses.....	28,393.84	7,395.16
Translators and special service.....	3,111.00	.....
	725,478.96	22,987.78
Department of the interior.		
Board of health for the Philippine Islands:		
Salaries and wages.....	370,128.46	2,203.02
Transportation.....	22,222.31	6,141.80
Contingent expenses.....	15,253.51	9,530.56
Public works, including leper colony.....	28,457.75	.....
Support of hospitals, plants, etc.....	147,215.79	18,682.88
Suppression and extermination of epidemic diseases.....	29,191.77	51,228.28
	612,469.59	87,786.54
Quarantine service:		
Salaries and wages.....	72,353.46	.....
Transportation.....	12,665.13	1,709.41
Contingent expenses.....	3,585.71	382.56
Support of Mariveles Station.....	23,110.76	7,838.00
Commutation of quarters.....	13,071.30	.....
	124,786.36	9,929.97

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Department and bureau.	Fiscal year 1904.	Prior fiscal years.
Mining bureau:		
Salaries and wages.....	P 15,779.03	P 155.00
Transportation.....	510.80	
Contingent expenses.....	3,057.51	634.33
	19,347.14	789.33
Philippine weather bureau:		
Salaries and wages.....	68,479.95	533.32
Transportation.....	329.56	98.63
Contingent expenses.....	10,938.88	3,808.60
	79,748.39	4,440.55
Bureau of public lands:		
Salaries and wages.....	35,940.81	62.22
Transportation.....	1,200.00	
Contingent expenses.....	1,201.02	734.66
	38,341.83	796.88
Bureau of agriculture:		
Salaries and wages.....	90,157.60	1,614.78
Transportation.....	3,685.40	495.93
Contingent expenses.....	21,711.61	5,416.35
Agricultural college.....	23,328.04	831.38
Rice farm.....	61,401.47	1,606.17
	200,284.12	9,964.61
Ethnological survey:		
Salaries and wages.....	23,822.00	315.57
Transportation.....	1,931.83	51.00
Contingent expenses.....	4,165.42	2,072.57
	29,919.25	2,439.14
Bureau of government laboratories:		
Salaries and wages.....	134,675.90	6,323.09
Transportation.....	2,351.46	368.64
Contingent expenses.....	48,555.18	64,903.87
	185,582.54	71,595.60
Philippine civil hospital:		
Salaries and wages.....	69,275.50	240.66
Transportation.....		2,466.13
Contingent expenses.....	110,769.80	15,835.12
	180,045.30	18,541.91
Civil sanitarium, Benguet:		
Salaries and wages.....	12,862.07	82.93
Contingent expenses.....	21,819.37	3,670.47
Improvement of grounds.....	1,609.89	
	36,291.33	3,753.40
<i>Department of commerce and police.</i>		
Bureau of posts:		
Salaries and wages.....	77,698.03	766.66
Contingent expenses.....	15,195.60	5,494.06
Mail transportation.....	85,273.04	599.79
Traveling expenses.....	7,414.48	342.26
	185,581.15	7,202.77
Post-office service:		
Expenses of conducting the various post-offices as per itemized state- ment.....	310,797.94	
Contingent expenses, service at large.....	110.00	5,877.26
	310,907.94	5,877.26

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Post-office.	Compensation of post-master.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.	Total.
Abucay.....	P124.52				P124.52
Abulug.....	165.76				165.76
Agno.....	4.33				4.33
Agoo.....	129.12				129.12
Alaminos.....	133.06				133.06
Albay.....	280.62				280.62
Alcalá, Cagayan.....	96.72				96.72
Alcalá, Pangasinan.....	165.34				165.34
Alfonso.....	17.33				17.33
Allaga.....	32.33				32.33
Allen.....	58.50				58.50
Amulung.....	19.00				19.00
Anda.....	17.00				17.00
Angadanan.....	10.00				10.00
Angeles.....	1,048.00	P120.00			1,168.00
Apalit.....	72.00				72.00
Apatri.....	2,196.02	415.00		P51.50	2,662.52
Ara'yat.....	278.62				278.62
Argao.....	110.36				110.36
Aringay.....	145.00				145.00
Asingan.....	9.67				9.67
Atimonan.....	420.90				420.90
Bacacay.....	15.67				15.67
Bacarra.....	42.00				42.00
Bacnotan.....	243.04				243.04
Bacolod.....	630.71	292.00			922.71
Bacolor.....	469.64	124.40			594.04
Bacon, Occidental Negros.....	162.08				162.08
Bacon, Sorsogon.....	232.42				232.42
Bacoor.....	155.78				155.78
Badoc.....	18.33				18.33
Bagabag.....	25.00				25.00
Baggao.....	8.00				8.00
Baguio.....	5.67				5.67
Baguio.....	600.00	40.67			640.67
Bais.....	177.38				177.38
Balanga.....	358.86				358.86
Balangiga.....	39.00				39.00
Balaoan.....	97.72				97.72
Balayan.....	247.38				247.38
Baler.....	90.00				90.00
Baliuag.....	375.86				375.86
Bamban.....	19.67				19.67
Bangar.....	96.34				96.34
Bangued.....	233.56				233.56
Bani.....	23.67				23.67
Bantayan.....	14.33				14.33
Barcelona.....	8.33				8.33
Barugo.....	40.00				40.00
Basey.....	40.00				40.00
Batac.....	25.33				25.33
Batangas.....	1,846.36	342.66			2,189.02
Bauan.....	54.67				54.67
Bauang.....	111.40				111.40
Bautista.....	691.68				691.68
Bay.....	370.36				370.36
Bayambang.....	898.37			1.50	899.87
Baybay.....	116.00				116.00
Bayombong.....	244.66				244.66
Bigaa.....	76.68				76.68
Binalonan.....	209.06				209.06
Binan.....	164.82				164.82
Binangonan.....	15.67				15.67
Binnaley.....	20.00				20.00
Boac.....	600.00			5.40	605.40
Bocaue.....	134.72				134.72
Bolinao.....	37.00				37.00
Bongabon.....	32.00				32.00
Bongao.....	85.33				85.33
Bontoc.....	85.33				85.33
Borongan.....	360.00				360.00
Botolan.....	128.12				128.12
Buena Vista.....	881.11				881.11
Buhí.....	4.62				4.62
Bulacan.....	290.30				290.30
Bulan.....	20.00				20.00
Cabagan, Nuevo.....	142.42				142.42
Cabagan, Viejo.....	15.67				15.67
Cabanatuan.....	86.33				86.33
Cabagan.....	56.36				56.36
Cabuyao.....	208.92				208.92
Cagayan.....	728.44	216.00			944.44

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Post-office.	Compensation of post-master.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.	Total.
Calabanga	P110.42				P110.42
Calaca	29.00				29.00
Calamba	1,831.10	P150.00	P119.79		2,100.89
Calapan	500.00			P1.60	501.60
Calasiao	182.36				182.36
Calauag	9.00				9.00
Calauan	205.20				205.20
Calbayog	2,334.42	320.00		30.00	2,684.42
Calivo	177.64				177.64
Caloocan	36.66				36.66
Calumpit	120.00				120.00
Camalaniugan	21.33				21.33
Camalig	180.50				180.50
Camaling	24.67				24.67
Camp Jossman	508.00				508.00
Camp Marahui	147.79				147.79
Camp Overton	1,145.54				1,145.54
Camp Stotsenburg	600.00				600.00
Camp Vicars		54.66	1.00		55.66
Candaba	316.30				316.30
Candon	109.62				109.62
Capas	228.98				228.98
Capiz	590.34				590.34
Carigara	159.52				159.52
Carmona	25.00				25.00
Casiguran	16.00				16.00
Castilla	16.00				16.00
Castillejos	129.66				129.66
Cataingan	105.72				105.72
Catanauan	21.67				21.67
Catarman	2.38				2.38
Catbalogan	1,480.00		120.00		1,600.00
Cauayan	12.33				12.33
Cavite	3,199.88	2,075.00			5,274.88
Cebu	3,600.00	2,573.66		1,176.70	7,350.36
Cervantes	504.50				504.50
Concepcion	136.38				136.38
Coron	91.92				91.92
Corregidor	456.84				456.84
Cotabato	803.89	20.00		10.00	833.89
Cuenca	3.67				3.67
Cuyapo	115.60				115.60
Cuyo	271.90				271.90
Daet	372.90				372.90
Dagupan	2,731.08	360.00	461.84	47.50	3,600.42
Dalaguete	125.30				125.30
Danao	7.67				7.67
Dapitan	29.50				29.50
Daraga	110.79				110.79
Davao	455.12				455.12
Dinalupijan	102.38				102.38
Dingras	119.56				119.56
Donsol	20.00				20.00
Dumaguete	912.74				912.74
Dumanjug	104.86				104.86
Dupax	26.33				26.33
Echague	276.86				276.86
Enrile	17.33				17.33
Escalante	48.33				48.33
Florida Blanca	8.33				8.33
Gamu	12.67				12.67
Gandara	32.00				32.00
Gapan	20.00				20.00
Gattaran	20.00				20.00
Guagua	127.62				127.62
Gubat	13.33				13.33
Guinayangan	8.00				8.00
Guinobatan	383.62				383.62
Guinan	42.67				42.67
Gumaca	4.33				4.33
Hagonoy	129.12				129.12
Iba	456.64				456.64
Ibaan	44.33				44.33
Iguig	18.33				18.33
Ilagan	372.63				372.63
Iligan	1,335.23	243.33			1,578.56
Iloilo	4,000.00	5,304.62	960.00		10,264.62
Imus	172.60				172.60
Indang	214.90				214.90
Infanta	20.00				20.00
Iriga	152.66				152.66

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Post-office.	Compensation of post-master.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.	Total.
Irosin.....	P16.00				P16.00
Isabela.....	2.00				2.00
Jolo.....	2,000.00		P241.00	P50.00	2,291.00
Jovellar.....	14.66				14.66
Juban.....	15.66				15.66
La Carlota.....	114.00				114.00
Laguimanoc.....	60.00				60.00
Lallo.....	100.40				100.40
Laoag.....	2,385.56	P142.93			2,528.49
Laoang.....	552.10				552.10
Lapo.....	98.12				98.12
Legaspi.....	2,212.80	285.66	432.83	80.00	3,011.29
Libmanan.....	107.00				107.00
Libog.....	171.88				171.88
Libon.....	14.33				14.33
Licab.....	27.00				27.00
Ligao.....	262.72				262.72
Lillo.....	39.00				39.00
Liloan.....	8.00				8.00
Lingayen.....	719.92				719.92
Lipa.....	350.35				350.35
Loay.....	97.50				97.50
Loboo.....	36.67				36.67
Lopez.....	104.32				104.32
Los Baños.....	623.14		16.00		639.14
Lubang.....	93.00				93.00
Lubao.....	98.62				98.62
Lucban.....	123.86				123.86
Lucena.....	2,566.66	141.98	482.83	10.00	3,201.47
Luisiana.....	35.67				35.67
Lumban.....	37.67				37.67
Maasin.....	116.91				116.91
Mabalacat.....	11.00				11.00
Mabatang.....	42.36				42.36
Mabitac.....	35.67				35.67
Macabebe.....	187.76				187.76
Magalan.....	20.00				20.00
Magallanes.....	15.00				15.00
Magarao.....	94.06				94.06
Magdalena.....	172.80				172.80
Magsingal.....	12.33				12.33
Majayjay.....	188.44				188.44
Malabang.....	2,799.94		48.00		2,847.94
Malabon.....	115.06				115.06
Malasiqui.....	7.66				7.66
Malilipot.....	120.18				120.18
Malinao.....	16.67				16.67
Malolos.....	549.68				549.68
Mambajao.....	118.00				118.00
Manaoag.....	262.50				262.50
Mandaon.....	7.00				7.00
Mandaue.....	8.00				8.00
Mangaldan.....	159.70				159.70
Mangatarem.....	20.00				20.00
Manila.....	7,200.00	148,902.80	17,118.57	5,166.30	178,387.67
Manito.....	12.00				12.00
Maragondon.....	100.88				100.88
Maribojoc.....	161.18				161.18
Mariquina.....	162.66				162.66
Mariveles.....	108.00				108.00
Masbate.....	404.78				404.78
Masinloc.....	13.67				13.67
Matnog.....	14.33				14.33
Mauanan.....	5.67				5.67
Mauban.....	116.08				116.08
Mexico.....	220.60				220.60
Milagros.....	7.67				7.67
Minglanilla.....	10.00				10.00
Misamis.....	308.68				308.68
Mogpog.....	19.00				19.00
Moncada.....	94.00				94.00
Morong.....	16.67				16.67
Mulanay.....	126.50				126.50
Murcia.....	11.33				11.33
Nabua.....	109.44				109.44
Naga.....	5.00				5.00
Nagcarlan.....	90.01				90.01
Naguilian, Isabela.....	12.67				12.67
Naguilian, Union.....	37.33				37.33
Nale.....	237.42				237.42
Namaepacan.....	93.84				93.84

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Post-office.	Compensation of post-master.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.	Total.
Narvacan.....	₱107.74				₱107.74
Nasugbu.....	253.30				253.30
Navleta.....	30.00				30.00
Nueva Caceres.....	2,000.00	₱148.00	₱2.50		2,150.50
Nueva Valencia.....	135.34				135.34
Oas.....	116.76				116.76
Olongapo.....	1,057.44				1,057.44
Orani.....	96.92				96.92
Oras.....	17.33				17.33
Orion.....	156.08				156.08
Ormoc.....	755.24	160.00		₱6.00	921.24
Oroquieta.....	310.74				310.74
Ostob.....	13.67				13.67
Pacte.....	307.84				307.84
Pagbilao.....	17.67				17.67
Pagsanjan.....	370.94				370.94
Palo.....	102.12				102.12
Pamplona.....	91.98				91.98
Pandan.....	90.00				90.00
Pangil.....	36.00				36.00
Paniquil.....	88.00				88.00
Paquil.....	239.20				239.20
Parang-Parang.....	569.14				569.14
Paranaque.....	155.64				155.64
Paracao.....	153.84				153.84
Passay.....	18.66				18.66
Pasig.....	348.26				348.26
Pasquin.....	26.33				26.33
Pateros.....	20.00				20.00
Pena Blanca.....	9.00				9.00
Penaranda.....	37.33				37.33
Piat.....	19.67				19.67
Pila.....	263.84				263.84
Pilar.....	18.67				18.67
Piliha.....	15.67				15.67
Pitogo.....	57.67				57.67
Polangui.....	98.89				98.89
Pontevedra.....	3.67				3.67
Porac.....	286.94				286.94
Pozorrubio.....	413.84				413.84
Prieto Dias.....	7.67				7.67
Puerto Princesa.....	397.74				397.74
Pulanduta.....	6.67				6.67
Pura.....	50.00				50.00
Rapu-Rapu.....	91.00				91.00
Romblon.....	600.00			1.00	601.00
Rosales.....	106.56				106.56
Rosario, Batangas.....	38.66				38.66
Rosario, Cavite.....	107.64				107.64
Salasa.....	20.00				20.00
Salomague.....	874.36				874.36
Samal.....	46.01				46.01
Sampaloc.....	20.00				20.00
San Antonio, Nueva Ecija.....	37.00				37.00
San Antonio, Zambales.....	45.48				45.48
San Carlos, Occidental Negros.....	219.36				219.36
San Carlos, Pangasinan.....	106.64				106.64
San Esteban.....	490.00				490.00
San Fabian.....	21.67				21.67
San Felipe, Negros.....	18.67				18.67
San Felipe, Zambales.....	65.74				65.74
San Fernando, Cebu.....	5.67				5.67
San Fernando, Masbate.....	108.44				108.44
San Fernando, Pampanga.....	625.98	30.00		1.00	656.98
San Fernando, Union.....	2,400.00	480.00		10.00	2,890.00
San Francisco, Cavite.....	403.52				403.52
San Isidro, Nueva Ecija.....	1,359.96	240.00		2.00	1,601.96
San Isidro, Pangasinan.....	23.23				23.23
San Jacinto.....	11.33				11.33
San Jose, Antique.....	578.74				578.74
San Jose, Batangas.....	34.67				34.67
San Jose de Lagonoy.....	155.44				155.44
San Jose, Nueva Ecija.....	101.61				101.61
San Juan.....	11.33				11.33
San Juan de Guimba.....	59.00				59.00
San Luis.....	92.00				92.00
San Marcelino.....	91.28				91.28
San Mateo.....	475.32				475.32
San Miguel.....	171.90				171.90
San Narciso.....	165.04				165.04

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Post-office.	Compensation of post-master.	Compensation of clerks.	Rent and light.	Miscellaneous expenses.	Total.
San Nicolas.....	P64.76				P64.76
San Pablo.....	312.49				312.49
San Pedro Macati.....	48.67				48.67
San Pedro Tunasan.....	229.56				229.56
Santa.....	12.00				12.00
Santa Cruz, Cavite.....	301.04				301.04
Santa Cruz, Ilocos Sur.....	10.00				10.00
Santa Cruz, Laguna.....	1,116.00	P145.00	P3.76	P26.08	1,290.84
Santa Cruz, Tayabas.....	47.33				47.33
Santa Lucia.....	17.67				17.67
Santa Maria, Ilocos Sur.....	135.90				135.90
Santa Maria, Isabela.....	15.67				15.67
Santa Rita.....	20.00				20.00
Santa Rosa.....	213.26				213.26
Santo Nino.....	7.33				7.33
Santo Tomas, Batangas.....	304.44				304.44
Santo Tomas, Pampanga.....	23.33				23.33
Santo Tomas, Union.....	45.33				45.33
Sariaya.....	208.08				208.08
Shasi.....	33.33				33.33
Sibonga.....	101.03				101.03
Silang.....	27.00				27.00
Silay.....	6.67				6.67
Sinit.....	3.67				3.67
Sinloan.....	108.38				108.38
Solana, Cagayan.....	18.00				18.00
Solano, Nueva Viscaya.....	25.33				25.33
Sorsogon.....	1,612.13	290.00	3.76	8.00	1,913.89
Sual.....	24.00				24.00
Subic.....	276.22				276.22
Surigao.....	601.12				601.12
Taal.....	122.70				122.70
Tabaco.....	276.36				276.36
Tacloban.....	2,677.77	238.00	199.92	24.00	3,139.69
Tagbilaran.....	524.78				524.78
Tagudin.....	88.38				88.38
Tala vera.....	35.33				35.33
Talisay.....	12.00				12.00
Tanauan.....	204.52				204.52
Tanay.....	19.33				19.33
Tarlac.....	580.14	236.66			816.80
Tayabas.....	207.51				207.51
Taytay.....	17.33				17.33
Tayug.....	231.38				231.38
Tiaong.....	53.67				53.67
Tigaon.....	90.94				90.94
Tivi.....	104.90				104.90
Torrijos.....	3.67				3.67
Tuao.....	6.00				6.00
Tubao.....	18.33				18.33
Tubigon.....	84.00				84.00
Tuguegarao.....	940.52	32.00			972.52
Tumauini.....	136.30				136.30
Twin Peaks.....	888.04				888.04
Umingan.....	79.00				79.00
Urdaneta.....	77.33				77.33
Uson.....	97.04				97.04
Valladolid.....	13.67				13.67
Victorias.....	2.00				2.00
Vigan.....	1,999.94	333.34	240.00	28.00	2,601.28
Villa Real.....	46.67				46.67
Villasis.....	7.00				7.00
Vintar.....	48.04				48.04
Virac.....	122.80				122.80
Zamboanga.....	3,100.00	875.00		6.00	3,981.00
Total.....	118,270.19	165,333.37	20,451.80	6,742.58	310,797.94

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Departments and bureaus.	Fiscal year, 1904.	Prior fiscal years.
<i>Department of commerce and police—Continued.</i>		
Signal Service:		
Salaries and wages.....	P72,977.40	P1,149.76
Transportation.....	364.33	136.16
Rent of buildings and illumination.....	9,503.31	391.82
Supplies.....	28,952.79	3,122.64
General expenses.....		57,089.66
	111,797.83	61,890.04
Bureau of Philippines Constabulary:		
Pay of constabulary.....	2,223,939.50	204,669.76
Transportation.....	279,348.75	84,500.07
Contingent expenses.....	60,234.19	41,195.37
Barracks and quarters.....	145,693.90	16,587.16
Clothing, camp, and garrison equipage.....	447,877.62	126,719.10
Telegraph and telephone.....	146,366.70	
Secret service.....	22,601.06	38,582.15
Maintenance of police.....		7,874.88
Subsistence.....	257,297.98	
	3,583,359.70	520,128.49
Bureau of prisons:		
Salaries and wages.....	136,715.49	888.28
Contingent expenses.....	404,297.46	35,407.28
Equipment.....	30,344.30	
Manufacturing department.....	22,573.16	
	593,930.41	36,295.56
Bureau of coast guard and transportation:		
Salaries and wages.....	74,955.88	6,822.83
Contingent expenses.....	4,329.26	1,727.46
Light-house service, permanent improvements.....	68,522.52	
Light-house service.....	324,080.65	114,731.31
Cutters and launches.....	1,020,757.86	46,254.66
Construction of vessels.....	267,536.71	282,967.37
Railway and machine shop, Marine Island.....	48,386.14	
	1,806,569.02	452,503.63
Bureau of coast and geodetic survey:		
Salaries and wages.....	16,178.27	
Contingent expenses.....	2,820.33	374.94
Field and steamer expenses.....	53,725.79	765.89
Construction of steamer.....	26,620.00	1,971.84
	99,344.39	3,112.67
Bureau of engineering:		
Salaries and wages.....	102,911.08	5,606.59
Transportation.....	2,349.15	1,145.27
Contingent expenses.....	7,888.28	702.26
Public works.....	31,928.63	10,581.50
Temporary wharf, Cebu.....	15,283.32	
	160,360.46	18,035.62
<i>Department of public instruction.</i>		
Bureau of education:		
Salaries and wages.....	1,858,905.34	146,841.63
Transportation.....	31,001.35	15,129.49
Contingent expenses.....	21,224.62	2,431.75
School furniture and supplies.....	207,743.69	206,759.31
	2,118,875.00	371,162.38
Bureau of public printing:		
Salaries and wages.....	275,148.66	1,092.40
Contingent expenses.....	42,061.24	96,773.15
	317,209.90	97,865.55
Bureau of architecture:		
Salaries and wages.....	53,923.84	40.39
Transportation.....	680.74	150.48
Contingent expenses.....	5,530.53	2,073.08
Public works.....	603,413.86	282,651.35
Building supplies.....	8,247.79	
	671,796.76	284,915.30

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Department and bureaus.	Fiscal year, 1904.	Prior fiscal years.
<i>Department of public instruction—Continued.</i>		
Bureau of archives and patents, copyrights, and trade-marks:		
Salaries and wages.....	P23,385.32	.....
Contingent expenses.....	728.99	502.85
	24,114.31	P502.85
Bureau of statistics:		
Salaries and wages.....	1,399.92	.....
Philippine museum:		
Contingent expenses.....		317.42
American circulating library:		
Salaries and wages.....	4,454.00	.....
Contingent expenses.....	203.58	21.78
	4,657.58	21.78
Philippine census bureau:		
General expenses.....	115,184.50	22,463.30
Official Gazette:		
Salaries and wages.....	7,479.24	.....
Contingent expenses.....	646.95	523.75
	8,126.19	523.75
<i>Unassigned service.</i>		
Engineer, Division of the Philippines:		
Public works.....	10,768.28	798.82
Roads and bridges.....	33,351.92	12,155.29
Map.....	315.53	.....
Harbor improvements, Manila.....	2,624,075.66	.....
Pasig River walls.....	6,304.69	.....
Dredging Santa Cruz estero.....	1,505.70	.....
	2,676,321.78	12,954.11
Chief quartermaster:		
Contingent expenses.....	2,625.81	6,523.80
Pay of interpreters.....	457.35	2,074.83
Pay of scouts.....		4,944.17
Claims for rentals and damages.....		654.66
Expense, Department of Visayas.....		1,371.22
Barracks and quarters.....		2,090.88
Pay of police.....		278.06
Army transportation.....		210.60
	3,083.16	18,148.22
Chief commissary:		
Subsistence, civil purposes.....		2,341.06
District commander, Isabela de Basilan:		
Salaries and wages.....	2,235.00	.....
Contingent expenses.....	1,586.56	3,344.92
	3,821.56	3,344.92
District commander, Pollok, Mindanao:		
Salaries and wages.....	279.00	.....
Contingent expenses.....	982.05	537.24
	1,261.05	537.24
Custodian, Santa Potenciana building:		
Salaries and wages.....	4,290.96	260.62
Contingent expenses.....	3,553.32	415.67
	7,844.28	676.29
Superintendent, Intendencia building:		
Salaries and wages.....	2,766.50	.....
Contingent expenses.....	8,781.29	665.02
	11,547.88	665.02

Expenditures during fiscal year 1904 and prior fiscal years—Continued.

Department and bureau.	Fiscal year, 1904.	Prior fiscal years.
<i>Unassigned service—Continued.</i>		
Louisiana Purchase Exposition board ^a	₱1,087,913.82	₱25,062.31
Education of Filipino students in the United States.....	74,209.61	
Insular salary and expense fund.....	214,077.80	6,284.00
Old transportation claims.....		210.29
Expenses, honorary board of Philippine commissioners.....	50,477.50	
Opium investigation committee.....	20,801.58	
Repairs to launch Frankfort.....	2,228.07	
Damages in sanitary measures.....	853.14	
Miscellaneous.....		929.16
Apprehension and delivery of alleged criminals.....	2,553.60	
Survey of wagon road, Naguilian to Baguio.....	8,759.90	
Benguet wagon road and improvements.....	913,579.70	5,194.18
Harbor improvements, Cebu.....	831.30	
Harbor improvements, Iloilo.....	902.90	
Calbayog pier.....	27,837.58	39.97
Repairing wharf at Jolo.....	4,468.21	2,532.73
Purchase of land in Malate.....	44,870.85	
Purchase of Oriente Hotel.....	613,636.37	
Insurance on Oriente Hotel.....	2,139.22	
Slasi wharf.....	621.93	
Ilagan wharf.....	46.36	

^a Net expenditures after deducting collections amounting to ₱97,354.96.

NOTE.—For other expenditures on account of Benguet road, board of health, bureau of agriculture, and bureau of government laboratories, see Congressional relief fund.

THE PAIL SYSTEM.

Under the provisions of Acts 330, 430, and 437 the difference between the amount expended for the installation of the pail system in the city of Manila and the amount collected therefor from property owners was refundable to the insular government. In accordance with the above and pursuant to the further provisions of Acts 1048 and 1049, the pail system was transferred to the city of Manila as of January 1, 1904, reimbursement being made to the insular government by the city in the sum of ₱384,664.10, this amount representing the net expense borne by the insular government for the installation and operation of the pail system, the same being duly deposited in the treasury as repayments to the credit of insular appropriations from which previously withdrawn and taken up in special settlement for credit of insular expense on account of the several fiscal years involved. The following table shows the figures concerned in the settlement between the central government and the city of Manila on account of the pail system:

Fiscal year.	Expend- itures.	Revenues.	Net expend- itures.
1902.....	₱59,920.00		₱59,920.00
1903.....	294,964.40	₱20,361.96	274,602.44
1904.....	85,722.16	11,633.58	74,088.58
Total.....	440,606.56	31,995.54	408,611.02
Expense borne by insular government subsequent to January 1, 1904, charged against public works, city of Manila.....			23,946.92
Amount reimbursed insular government by city of Manila.....			384,664.10
Net amount charged to expense board of health in settlements during the fiscal year 1904:			
On account fiscal year 1904.....		₱49,682.85	
On account fiscal year 1903.....		63,981.65	
			113,664.50
Net credit deducted from total insular expenditures.....			270,999.80

RECAPITULATION OF INSULAR DISBURSEMENTS.

Departments and bureaus.	Fiscal year, 1904.	Prior fiscal years.
The Philippine Commission.....	₱74,166.61	₱4,044.28
The executive.....	105,250.00	1,750.00
Executive bureau.....	381,671.50	11,858.73
Operations under Bureau of Insular Affairs at Washington, D. C.....	51,378.20	9,952.66
Civil-service board.....	80,176.99	3,314.22
Insular purchasing agent.....	664,581.86	48,783.21
The department of finance and justice.....	2,827,475.74	187,048.39
The department of the interior.....	1,506,815.85	210,037.93
The department of commerce and police.....	6,853,850.90	1,105,046.04
The department of public instruction.....	3,261,364.16	777,772.33
Unassigned service.....	5,771,689.15	78,919.50
Total.....	21,578,420.96	2,438,527.29
Less net credit to insular expense resulting from purchase of rail system by city of Manila.....	458.81	270,540.79
Total net insular expenditures.....	21,577,962.15	2,167,986.50

UNDEPOSITED BALANCES.

The accounts covering the settlements included in the foregoing statement of disbursements show that there were in the hands of disbursing officers on June 30, 1904, actual cash balances (net) amounting to ₱1,865,636.80 Philippines currency and pfs. 20,580.85 Mexican currency.

The official balances in the accounts as certified were ₱2,668,396.27 Philippines currency and pfs. 69,798.19 Mexican currency, the difference of ₱802,759.47 Philippines currency and pfs. 49,217.34 Mexican currency between the official balances being due to items in suspense in the settlement of the accounts.

PAYMENTS TO PROVINCES.

The policy of the Commission of giving needed assistance to provinces for general and extraordinary expenses has been continued. The following is a statement of account of payments and refunds made during the fiscal year 1904:

Province.	Purpose.	Act.	Payments.	Refunds.
Benguet.....	Wagon road to Naguilian.....	795	₱700.00	.....
Lepanto-Bontoc.....	General expenses.....	807	13,000.00	.....
Mindoro.....	do.....	821	8,782.00	.....
Benguet.....	do.....	807	5,000.00	₱211.82
Nueva Vizcaya.....	General purposes.....	807	8,500.00	.....
Moro.....	Repairing wharves.....	852	4,000.00	.....
Batangas.....	Roads and bridges.....	913	12,442.48	.....
Mindoro.....	General purposes.....	821	8,782.00	.....
Benguet.....	General expenses.....	807	5,000.00	81.98
Lepanto-Bontoc.....	do.....	807	13,800.00	.....
Nueva Vizcaya.....	Construction of provincial government building.....	831	5,000.00	.....
Do.....	General expenses.....	807	8,500.00	.....
Benguet.....	General purposes.....	1,049	5,400.00	47.88
Mindoro.....	do.....	1,049	6,000.00	.....
Moro.....	Salary of United States representative at Cagayan de Jolo.....	807	390.00	.....
Nueva Vizcaya.....	General expenses.....	1,049	4,750.00	.....
Lepanto-Bontoc.....	do.....	1,049	13,500.00	.....
Mindoro.....	General purposes.....	1,049	6,000.00	.....
Ambos Camarines.....	Salary and subsistence to volunteers in suppressing brigandage.....	857	2,219.66	.....
Moro.....	Repairing wharves.....	852	16,000.00	.....
Sorsogon.....	High School building.....	858	9,110.21	.....
Mindoro.....	Supplies furnished by insular purchas- ing agent.....	821	21,620.77	.....
	Net payments.....			178,155.44
	Total.....		178,497.12	178,497.12

NOTE.—See accounts of Congressional relief fund and war emergency rice fund for other payments to provinces

ADVANCES TO PROVINCES.

Act 799 provides for the reimbursement to provincial governments from the insular treasury of the amount ascertained to be lost through defalcation of bonded provincial officials pending recovery on the official bonds. The amounts so reimbursed are considered as advances on the security of the amount due on such bonds and when recovered are deposited in the insular treasury to the general credit of the insular government.

During the fiscal year 1904 the following amounts were advanced and collected on this account:

Character of item.	Advanced.	Collected
Province of Rizal—Loss through defalcation of provincial treasurer	₱13,043.48	₱8,695.65
Province of Occidental Negros—Loss through defalcation of provincial treasurer	2,625.02	.....
Net advances .....	.....	6,972.85
Total	15,668.50	15,668.50

The city of Manila, supported in part by the insular government, is considered elsewhere in this report under a distinct head. Three-tenths of the appropriations for the city are chargeable to the insular government and during the fiscal year, as represented by net withdrawals, such charges amounted to ₱1,628,445.79 Philippines currency.

Loans to provinces during the fiscal year amounting to ₱171,885 Philippines currency are omitted from the disbursements, as the amounts loaned are properly assets of the insular government.

There was due to the insular government June 30, 1904, on account of unpaid loans to provinces the sum of ₱441,800 Philippines currency and pfs. 75,000 Mexican currency.

Refunds to provinces and collections ceded are also omitted from the statement of the insular expenditures. These loans and refunds to provinces are disbursed by the provinces for their current needs, and the disbursements therefrom appear in the statements of the accounts of the several provincial treasurers.

Payments from reimbursable appropriations are likewise omitted, except as they may show net expenditures, as otherwise they are not properly chargeable as administrative expenses. These transactions appear elsewhere under the heading "Refundable collections and reimbursable expenditures."

COMPARATIVE STATEMENT OF RECEIPTS AND EXPENDITURES.

Following is a statement of the ordinary and extraordinary revenues and disbursements of the government for the fiscal year 1904, expressed in Philippines currency. All items in Mexican currency

have been reduced at the ratio of 1.10 to 1, this being approximately an average ratio for the transactions of the year:

Character of item.	Amount.
DEBIT.	
Ordinary revenues, fiscal year 1904, exclusive of excess collections refunded:	
Customs revenues.....	₱17,171,161.03
Postal revenues.....	267,569.44
Miscellaneous revenues—	
Notarial and judicial fees.....	142,145.09
Insular cold storage and ice plant.....	615,089.35
The insular treasurer.....	40,973.86
The Philippine Commission.....	4,720.12
Department of commerce and police.....	248,498.86
Department of the interior.....	174,472.08
Department of public instruction.....	141,027.13
Unassigned service.....	8,966.63
	₱18,814,623.59
Extraordinary revenues exclusive of excess collections refunded:	
Seized funds (including funds seized in prior fiscal years, covered into the general fund under authority of Act 608).....	286,259.91
Cable concessions.....	60,833.89
Franchise deposits by Manila Railway Company.....	411.55
Interest on deposits of public moneys.....	190,358.22
	537,863.57
Excess of ordinary and extraordinary expenditures over ordinary and extraordinary revenues.....	4,571,616.93
Total.....	23,924,104.09
(CREDIT.	
Ordinary expenditures, fiscal year 1904:	
United States Philippine Commission.....	78,210.89
The executive.....	1,252,386.51
Department of finance and justice.....	3,014,524.13
Department of the interior.....	1,336,976.38
Department of commerce and police.....	7,205,098.91
Department of public instruction.....	3,015,423.48
Unassigned service.....	335,242.01
	16,237,862.31
Extraordinary expenditures other than refunds and loans:	
Public works.....	6,025,918.86
Contributions to provinces other than refunds and loans.....	178,155.44
Public health, sanitary, and other preventive measures.....	81,273.19
The Philippine census.....	137,647.80
The Louisiana Purchase Exposition.....	1,112,976.13
Education of Filipino students in the United States.....	74,209.61
Honorary board of Philippine Commissioners.....	50,477.50
Opium investigation committee.....	20,801.58
Repairs to launch Frankfort.....	2,228.07
Apprehension and delivery of alleged criminals.....	2,553.60
	7,686,241.78
Total.....	23,924,104.09

SUMMARY, INCLUDING REVENUES AND EXPENDITURES OF THE CITY OF MANILA.

	Amount.
DEBIT.	
Ordinary revenues exclusive of collections refunded.....	₱22,676,883.12
Extraordinary revenues exclusive of collections refunded.....	537,863.57
Excess of ordinary and extraordinary expenditures over ordinary and extraordinary revenues.....	6,080,122.73
	29,294,869.42
(CREDIT.	
Ordinary expenditures.....	19,650,566.80
Extraordinary expenditures.....	9,644,302.62
	29,294,869.42

THE CITY OF MANILA.

FINANCES OF THE CITY OF MANILA UNDER ITS CHARTER.

Under the Manila city charter, which became effective August 7, 1901, its government passed to the control of a municipal board. All revenues derived under the charter are deposited with the treasurer of the islands to the credit of the city. Disbursements are made pursuant to the appropriations of the Philippine Commission, but under section 15 of the charter 30 per cent of the appropriations for the city are payable out of the insular treasury and 70 per cent out of the revenues deposited by the city to its credit.

Following is a statement in Philippine currency of the revenues collected by the various departments of the government of the city of Manila during the fiscal year 1904, as shown by the settlement of the accounts submitted to this office:

REVENUES.

Item.	Philippines currency.	Item.	Philippines currency.
Municipal board:		Department of assessments and collections—Continued.	
Carriedo fund.....	P10,942.41	Licenses.....	P358,470.23
Miscellaneous.....	50.00	Vehicle tax.....	52,724.74
Total.....	10,992.41	Registration certificates.....	92,704.00
Department of engineering and public works:		Vehicle equipment.....	2,536.93
Water rents.....	163,897.19	Rent of public lands.....	15,880.17
Plumbing.....	7,833.40	Electric installation certificates	3,955.50
Building permits.....	14,093.08	Live stock registration.....	1,140.54
Testing weights and measures.	6,500.22	Sanitary fees and fines.....	15,875.03
Fire plugs.....	1,450.65	Registration of cocheros.....	771.05
Boiler inspection.....	600.00	Poundmaster's fees.....	12,149.08
Pail system.....	4,189.76	Municipal court fines and fees..	146,488.86
Fines.....	771.33	Sheriff of Manila fines and fees.	11,433.62
Miscellaneous.....	104.38	Justice of peace fines and fees..	4,854.07
Total.....	199,440.01	City attorney fees.....	34.22
Department of assessments and collections:		Sales of realty.....	5,460.39
Industrial taxes.....	613,061.27	Building application and per- mits.....	1,311.60
Land taxes for the year 1901...	2,756.21	Testing weights and measures.	185.20
Land taxes for the year 1902...	39,009.64	Pail system.....	1,790.05
Land taxes for the year 1903...	1,048,869.32	Cleaning vaults and cesspools..	159.29
Land taxes for the year 1904...	561,703.87	Boiler inspection.....	456.00
Matadero tax.....	179,322.09	Registration of land, value less than \$100.....	22.21
Market tax.....	290,866.47	Registration of deeds.....	16,541.86
Internal revenue stamps sold..	167,653.00	Miscellaneous.....	3,640.60
		Total.....	3,651,827.11

SUMMARY.

	Philippines currency.
Municipal board.....	P10,992.41
Department of engineering and public works.....	199,440.01
Department of assessments and collections.....	3,651,827.11
Total revenues, city of Manila.....	3,862,259.53

DISBURSEMENTS.

Department.	Philippines currency for account of—	
	Fiscal year 1904.	Prior fiscal years.
Municipal board:		
Salaries and wages.....	₱96,329.05	₱881.62
Contingent expenses.....	125,646.07	71,563.79
	221,975.12	72,445.41
Department of engineering and public works:		
Salaries and wages.....	911,488.18	213.55
Contingent expenses.....	96,367.74	4,783.85
Public works and permanent improvements.....	1,413,617.73	159,779.01
Pail system, purchase.....	384,664.10	
	2,806,137.75	164,776.41
Department of assessments and collections:		
Salaries and wages.....	148,077.66	487.97
Contingent expenses.....	14,915.72	1,896.87
	162,993.38	2,384.84
Fire department:		
Salaries and wages.....	180,088.74	
Contingent expenses.....	23,516.48	6,200.85
Equipment.....	77,882.65	15,061.89
	281,487.87	21,262.74
Law department:		
Salaries and wages.....	130,834.54	158.46
Contingent expenses.....	14,436.02	2,800.74
	145,270.56	2,959.20
Department of police:		
Salaries and wages.....	1,098,855.37	1,131.76
Contingent expenses.....	40,467.53	4,991.33
Equipment.....	38,112.80	2,431.21
Secret service.....	1,352.05	
	1,178,787.75	8,554.30
City schools:		
Salaries and wages.....	273,767.15	6.75
Contingent expenses.....	4,666.73	784.87
	278,433.88	791.62
Salary and expense fund.....	22,504.50	
Total disbursements, city of Manila.....	5,097,590.81	273,174.52

THE CITY OF MANILA, IN ACCOUNT WITH THE GOVERNMENT OF THE PHILIPPINE ISLANDS, JUNE 30, 1904.

From the standpoint of deposits in and net withdrawals from the insular treasury, the account of the city of Manila with the insular government on June 30, 1904, was as follows:

Item.	Philippines currency.
DEBIT.	
Net withdrawals during fiscal year 1902.....	₱3,400,756.18
Net withdrawals during fiscal year 1903.....	3,728,861.02
Net withdrawals during fiscal year 1904.....	5,428,152.64
Balance due city of Manila June 30, 1904.....	343,708.19
Total debit.....	12,901,478.03

Item.	Philippines currency.
CREDIT.	
Deposits of revenue during fiscal year 1902.....	P2, 135, 587. 64
Three-tenths of net withdrawals during fiscal year 1902.....	1, 020, 226. 86
Deposits of revenue during fiscal year 1903.....	3, 122, 947. 22
Three-tenths of net withdrawals during fiscal year 1903.....	1, 118, 658. 30
Deposits of revenue during fiscal year 1904.....	3, 875, 612. 22
Three-tenths of net withdrawals during fiscal year 1904.....	1, 628, 445. 79
Total credit.....	12, 901, 478. 03

The basis for this statement is the reduction of all Mexican currency deposited in the insular treasury to its Philippines currency equivalent at the respective ratios prevailing at the close of each month. The withdrawals from appropriations were all made in Philippine currency. Previous statements have been made in which the entire Mexican currency deposits for the year were reduced to Philippines currency at 1.10 to 1, the rate in effect June 30, 1904.

From the standpoint of actual expenditures and revenues, as shown by audited accounts, the account of the city of Manila with the insular government on June 30, 1904, was as follows:

Item.	Philippines currency.
DEBIT.	
Expenditures during fiscal year 1902.....	P3, 034, 694. 20
Expenditures during fiscal year 1903.....	3, 895, 859. 86
Expenditures during fiscal year 1904.....	5, 370, 765. 33
Balance due city of Manila June 30, 1904.....	523, 223. 49
Total debit.....	12, 824, 542. 88
CREDIT.	
Deposits of revenue during fiscal year 1902.....	2, 135, 587. 64
Three-tenths of expenditures during fiscal year 1902.....	910, 408. 26
Deposits of revenue during fiscal year 1903.....	3, 122, 947. 22
Three-tenths of expenditures during fiscal year 1903.....	1, 168, 757. 95
Deposits of revenue during fiscal year 1904.....	3, 875, 612. 22
Three-tenths of expenditures during fiscal year 1904.....	1, 611, 229. 59
Total credits.....	12, 824, 542. 88

REFUNDABLE COLLECTIONS AND REIMBURSABLE EXPENDITURES.

Under the authorities quoted in the several accounts following, certain collections are made by the insular government and held pending claim for refund after the conditions of the law have been complied with; likewise certain of the appropriations made are reimbursable, the expenditures made thereunder being reimbursed by the deposit to the credit of the appropriations concerned of the funds accruing thereunder.

The items are omitted from the regular statement of insular receipts and expenditures, as they are quasi-trust funds when received as such and constitute a liability of the government until paid or transferred to general revenues by operation of law. On the other hand, certain items advanced are considered as assets, either in the form of stock on hand or net amount of advances after crediting sums returned.

The operations under these respective accounts for the fiscal year 1904 were as follows:

REFUNDABLE CUSTOMS COLLECTIONS AND DISBURSEMENTS.

Under the provisions of an act of Congress, approved March 8, 1902, certain export duties are collected in the Philippines and deposited in the insular treasury, subject to refund to the parties from whom received upon compliance with specific requirements. These moneys are in a sense trust funds and are so considered until eighteen months from the date of collection, when, under ruling of the Secretary of War, they are transferrable to the general revenue of the insular government.

In accordance with enactment of the Commission, moneys are collected from importers and owners of bonded warehouses, which are deposited in the insular treasury for payment to employees for overtime work and salaries of officers engaged in bonded warehouses.

Following is a statement of receipts and disbursements on account of these funds to June 30, 1904:

Character of item.	Philippines currency.	
	Collections.	Refunds.
Refundable export duties:		
Balance on hand July 1, 1903.....	P 895, 822. 96	
Manila.....	759, 516. 57	P 846, 568. 75
Cebu.....	146, 440. 13	157, 779. 22
Collections certified to June 30, 1903, but deposited after July 1.....	43, 773. 21	
Balance in fund June 30, 1904.....		841, 204. 90
Total.....	1, 845, 552. 87	1, 845, 552. 87
Extra service of employees:		
Balance on hand July 1, 1903.....	3, 223. 88	
Manila.....	34, 098. 99	32, 899. 42
Iloilo.....	1, 565. 49	1, 432. 82
Cebu.....	1, 043. 22	1, 117. 39
Collections certified to June 30, 1903, but deposited after July 1.....	4, 896. 21	
Withdrawals during fiscal year 1904, not charged against expense account to June 30.....		7, 058. 15
Balance in fund June 30, 1904.....		2, 320. 01
Total.....	44, 827. 79	44, 827. 79
Salaries of officers in bonded warehouses:		
Manila.....	9, 950. 14	9, 796. 61
Cebu.....	120. 00	
Collections certified to June 30, 1903, but deposited after July 1.....	215. 20	
Withdrawals during fiscal year 1904, not charged against expense account to June 30.....		390. 47
Collections during fiscal year 1904, not deposited to June 30.....		60. 00
Balance in fund June 30, 1904.....		38. 26
Total.....	10, 285. 34	10, 285. 34

THE CUSTOMS ARRASTRE PLANT.

Under the provisions of Act No. 897, effective September 23, 1903, the sum of P39,000 was appropriated for the purchase, maintenance, and operation of an arrastre plant for the landing, conveyance, storing, and delivery of imported merchandise at the custom-house of the port of Manila, and the collector of customs was authorized to fix and collect such charges as he shall deem necessary to cover the total cost of operating said plant.

The transactions under this authority to June 30, 1904, were as follows:

Character of item.	Philippines currency.	
	Collections.	Disbursements.
Net receipts from arrastre charges, after refunding ₱23,923.33 to importers as excessive collections.....	₱97,755.49	
Expended for purchase, maintenance, and operation of plant.....		₱97,878.50
Excess of expenditures over receipts, carried to account of insular expenditures.....	123.01	
Total.....	97,878.50	97,878.50

REFUNDABLE INTERNAL-REVENUE COLLECTIONS.

Under the provisions of the provincial and municipal codes, revenue derived from industrial, cedula, and other taxes internal in character were ceded to the provinces as the territory became organized under the codes.

During the fiscal year the following internal revenues were collected in territory at the time unorganized. With the passage of the Moro government act all the territory within the archipelago became organized.

Town or province.	Source of revenue.	Philippines currency.	
		Debit.	Credit.
Zamboanga.....	Industrial.....		₱3,027.98
	Cedulas.....		4.91
	Stamps.....		97.76
			3,130.65
Jolo.....	Cedulas.....		15.10
Cotabato.....	Industrial.....		1,881.59
	Cedulas.....		53.82
	Stamps.....		85.26
			2,020.67
Davao.....	Industrial.....		1,163.34
	Cedulas.....		9.09
	Stamp.....		13.21
			1,185.64
Dapitan.....	Industrial.....		996.73
	Stamp.....		8.86
			1,005.59
Siasi.....	do.....		1.10
Catbalogan.....	do.....		18.93
Mati.....	Miscellaneous.....		570.77
Refunded by warrant.....		₱933.42	
Ceded to provinces.....		2,701.75	
Allowance for stamps lost.....		8.52	
Balance June 30, 1904.....		4,244.70	
Total.....		7,948.45	7,948.45

INTERNAL-REVENUE STAMP ACCOUNT.

Stamp taxes are collected under the provisions of Spanish royal decrees and orders and General Orders, No. 57, military governor's office, dated March 31, 1900. Up to June 30, 1901, all collections

from this source accrued to the central government of the islands, after which date the collections in organized provinces, under the provisions of section 18 of Act No. 83, as amended by Act No. 133, became jointly provincial-municipal revenue. These stamps are furnished by the collector of internal revenue for the islands to the various collectors of internal revenue and to the treasurers of the various provinces through the insular treasurer.

From and after January 1, 1905, stamp taxes will be levied and collected as internal revenue under the provisions of sections 116 to 119 of the internal-revenue law, Act No. 1189.

Item and date.	Philippines currency.
DEBIT.	
Value of stock on hand July 1, 1903.....	₱615,900.90
Received from public printer:	
August, 1903.....	174,946.00
January, 1904.....	48,700.00
March, 1904.....	20,000.00
May, 1904.....	2,000.00
June, 1904.....	72,500.00
	318,146.00
Stamp stock returned July 1, 1903, to June 30, 1904.....	140,879.20
Overage in stamp stock taken up November, 1903.....	1,236.10
	1,076,162.20
CREDIT.	
Value of stamp stock transferred:	
July, 1903.....	22,044.00
August, 1903.....	12,605.00
September, 1903.....	10,365.00
October, 1903.....	17,646.00
November, 1903.....	18,707.55
December, 1903.....	31,158.50
January, 1904.....	17,594.50
February, 1904.....	21,598.60
March, 1904.....	19,797.50
April, 1904.....	20,210.00
May, 1904.....	20,450.00
June, 1904.....	16,315.00
	228,491.65
Balance of stock on hand June 30, 1904.....	847,670.55
	1,076,162.20

REFUNDABLE FORESTRY COLLECTIONS.

From July 1, 1902, under existing laws, no revenue has actually accrued to the insular government from forestry taxes, the amount remaining after the pro rata expenses of the forestry bureau have been deducted being refunded to the province in which the timber was cut. It being permissible to pay taxes in one province for timber cut in another, this office is required to make adjustments of the various accounts and refund to the provinces entitled thereto. Following is a statement of collections and refunds to June 30, 1904:

	Philippines currency.
Balance on hand June 30, 1903.....	₱149,390.34
Collections made from July 1, to December 31, 1903.....	357,245.54
Collections made from January 1 to June 30, 1904.....	178,987.93
	685,623.81
Refund by warrant, fiscal year 1903 collections.....	149,390.34
Refund by warrant, six months of fiscal year 1904 collections.....	131,976.22

Expenditures of the forestry bureau:

	Philippines currency.
Fiscal year 1904—	
Salaries and wages.....	P222,830.62
Transportation.....	17,272.52
Contingent expenses.....	32,349.15
Launch.....	8,894.42
Prior fiscal years—	
Salaries and wages.....	1,278.50
Transportation.....	2,388.51
Contingent expenses.....	14,872.85
Loss in exchange of currency.....	P299,886.66
Balance on hand June 30, 1904.....	2,318.88
	102,051.71
	685,623.81

INVALID MONEY ORDERS.

Under the rules of the money-order system an order becomes invalid for direct payment twelve months after the last day of the month of issue. The amounts received from the issuance of money orders which have become invalid are deposited in the insular treasury and are made a permanent appropriation by the provisions of paragraph 8 of section 1 of Act No. 357, for the payment of the amount of the original orders by warrant upon certification of the claims by the auditor.

The operations under this fund during the fiscal year were as follows:

Character of item.	Philippines currency.
DEBIT.	
Balance in the fund June 30, 1903.....	P1,079.52
Deposited in the fiscal year.....	17,439.78
	18,519.30
CREDIT.	
Disbursed by warrant in the fiscal year.....	15,335.22
Balance in the fund June 30, 1904.....	3,184.06
Total.....	18,519.30

OUTSTANDING LIABILITIES.

Rule 31 of Act No. 90 provides that no disbursing officers' check shall be paid after one year from the last day of the month of its issue. In every case where after one year after the rendition and settlement of the final account of a disbursing officer there remains a balance in any depository to the credit of such disbursing officer, by reason of the nonpresentation of checks or otherwise, the auditor reports said amounts to the civil governor, who requires the depository to deposit the said balance with the treasurer of the islands to the credit of "Outstanding liabilities."

The operations during the fiscal year under this fund were as follows:

Character of item.	Philippines currency.
DEBIT.	
Balance in the fund June 30, 1903.....	P221.02
Deposited in the fiscal year.....	9,444.55
	9,665.57
CREDIT.	
Disbursed by warrant.....	3,549.62
Balance in the fund June 30, 1904.....	6,115.95
Total.....	9,665.57

Expenditures by the insular government for the account of advances to the Moro Province.

Customs service:	Philippines currency.
Salaries and wages.....	P 42,307.38
Transportation.....	638.82
Contingent expenses.....	6,109.86
Launches.....	2,632.26
Tramway.....	308.66
Refund of amount collected for extra services of employees.....	12.60
Total.....	52,009.58

PROVINCE OF RIZAL LAND TAXES.

Section 5 (g), Act No. 436, provides that one-half of certain taxes on land annexed to the city of Manila for the year 1901 shall be deposited in the insular treasury to the credit of the provincial treasurer of Rizal, for the general uses of that province. The following is a statement of accounts to June 30, 1904:

Character of item.	Philippines currency.
CREDIT.	
Balance June 30, 1903.....	P 38.14
Collections.....	723.42
	<hr/> 761.56
DEBIT.	
Collections undeposited to June 30, 1904.....	87.67
Balance due Rizal Province June 30, 1904.....	673.89
Total.....	761.56

EXCESS DEPOSITS IN THE INSULAR TREASURY.

Section 1 of Act No. 357 authorizes the refund of moneys erroneously received and covered into the treasury, including all excess amounts deposited by officers as revenue collected.

The transactions under this fund for the fiscal year were as follows:

Character of item.	Philippines currency.
DEPOSITS.	
Deposited in the fiscal year.....	P 80,257.18
REFUNDS.	
Returned by warrant.....	120.14
Balance in the fund June 30, 1904.....	80,137.04
Total.....	80,257.18

OPERATIONS OF THE INSULAR PURCHASING AGENT.

The transactions of the insular purchasing agent to June 30, 1904, as audited, were as follows:

Character of item.	Philippines currency.	
	Expenditures.	Refunds.
Supplies purchased in fiscal year—		
1902	P2,094,001.30	
1903	3,423,296.18	
1904	5,378,735.71	
Supplies sold in fiscal year—		
1902		P1,651,939.16
1903		2,795,895.92
1904		5,242,091.50
Ten per cent surcharge on supplies sold	880,902.41	
Approximate value of stock on hand and unsettled accounts for supplies furnished departments, bureaus, and provinces, June 30, 1904		2,087,009.02
Total	11,776,935.60	11,776,935.60

OPERATIONS OF THE CONSTABULARY COMMISSARY.

The transactions of the constabulary commissary officers for the fiscal year, as audited, were as follows:

Character of item.	Philippines currency.	
	Expenditures.	Refunds.
Commissary stores purchased in fiscal year—		
1902	P280,313.47	
1903	581,378.84	
1904	736,949.33	
Commissary stores sold in fiscal year—		
1902		P152,569.78
1903		460,183.24
1904		712,061.02
Ten per cent surcharge on supplies sold	120,439.46	
Approximate value of stock on hand June 30, 1904		394,247.06
Total	1,719,081.10	1,719,081.10

OPERATIONS OF THE INSULAR PURCHASING AGENT UNDER THE RICE APPROPRIATION.

The transactions of the insular purchasing agent under the rice appropriation, as provided in Act No. 495, to June 30, 1904, as audited, were as follows:

Character of item.	Philippine currency.
EXPENDITURES.	
Excess of purchases over sales to June 30, 1903	P336,708.46
Rice purchased in fiscal year 1904	4,855.72
	341,564.18
REFUNDS.	
Rice sold in the fiscal year 1904	147,872.78
Approximate value of rice on hand June 30, 1904	193,691.40
Total	341,564.18

WAR EMERGENCY RICE FUND.

Act No. 488 of the Commission provided for the taking over to the insular treasury the sum of \$65,965.65 Mexican currency, profits arising in connection with sales of rice, etc., by the military authorities to the inhabitants of Batangas and Laguna provinces during the so-called reconcentration period. The act named provides that the sum so deposited should be treated as a reimbursable appropriation, expendable in the discretion of the civil governor for the benefit of the inhabitants of the provinces named.

On October 29, 1902, the said sum of \$65,965.65 Mexican currency, was deposited in the treasury and became available for withdrawal and expenditure, in accordance with the terms of the appropriation.

SUMMARY.

Character of item.	Philippine currency.
DEBIT.	
Balance in the hands of Capt. D. H. Boughton, June 30, 1903	P 67,953.73
Rice sold in fiscal year 1904	106,267.40
Gain in exchange of currency	696.93
	174,918.06
CREDIT.	
Expenditures and investments	119,073.41
Deposited with insular treasurer for credit of appropriation for "Schoolhouse, Batangas Province"	40,909.09
Ceded to Batangas Province for road and bridge purposes	12,442.48
Balance June 30, 1904, available for appropriation	2,493.08
Total	174,918.06

INSULAR SALARY AND EXPENSE FUND.

The transactions under the appropriation for what is known as the insular salary and expense fund to June 30, 1904, as audited, were as follows:

Character of item.	Philippines currency.	
	Receipts.	Disbursements.
Refunded by employees, Act No. 643	P 66,554.19	
Refunds by officers and employees for transportation furnished under the provisions of Act No. 697	151,900.23	
Refunds from other appropriations for leaves commuted	18,435.88	
Miscellaneous refunds	3,129.71	
Traveling expenses, salaries, subsistence on army transports, etc., of officers and employees in the United States, and between the United States and the islands		P 137,471.79
Traveling expenses, salaries, etc., of officers and employees in the islands awaiting assignment and taking and changing stations		17,034.55
Rewards for the apprehension of escaped convicts, notorious bandits, etc., under the provisions of acts No. 522 and No. 671		7,214.41
Leaves due deceased employees under the provisions of acts No. 448 and No. 1040		4,328.11
Expenses connected with the deportation of vagrants, acts No. 899 and No. 1049		3,400.00
Commutation of leaves upon retirement from the service, Act No. 1040		40,659.83
Transportation to the United States upon completion of three or more years' service and retirement therefrom, acts No. 80 and No. 1040		1,490.00
Transportation of teachers and their families to the United States, authorized by resolutions of the Commission, dated April 8 and 16, 1903, and confirmed by Act No. 795		11,387.32
Transportation and traveling expenses of officers, employees, and their families to the United States, condition of original appointment, and authorized by resolution of the Commission in each case		7,444.46
Miscellaneous transportation, under general authority of appropriation acts		6,935.08

Character of item.	Philippines currency.	
	Receipts.	Disbursements.
Salary and subsistence of engineer detailed to Batan Island coal survey.....		₱ 3,921.86
Refunds of excess deposits.....		291.36
Commutation of accrued leaves reimbursable from the appropriations of the bureaus concerned.....		54,688.11
Transportation of officers, employees, members of their families, etc., under the provisions of Act No. 697, reimbursable.....		161,114.93
Net difference between refunds and expenditures charged on account of insular expenditures.....	₱ 217,361.80	
Total.....	457,381.81	457,381.81

GOLD-STANDARD FUND.

The transactions under the appropriations for the purchase of silver bullion and alloy for Philippine coinage to June 30, as audited, were as follows:

	Fiscal year 1903.	Fiscal year 1904.	Total.
DEBIT.			
Purchase of silver.....	₱ 5,857,294.68	₱ 8,888,686.62	₱ 14,745,981.30
Purchase of alloy.....	34,865.78	304,638.22	339,504.00
Coinage and transportation.....	74,009.16	486,670.26	560,679.42
Cost of certificates of indebtedness.....	1,791.76	7,602.66	9,394.42
Cost of silver certificates.....	19,150.00	80,448.10	99,598.10
Mexican and Spanish-Filipino currency shipped for recoinage.....		6,920,843.30	6,920,843.30
Total.....	5,987,111.38	16,688,889.16	22,676,000.54
CREDIT.			
Receipts of Philippine currency, recoinage and bullion.....	3,200,000.00	16,641,494.56	19,841,494.56
Net amount invested to June 30, 1904, in excess of amount reimbursed, comprising silver bullion in the United States mints for recoinage and the seigniorage accruing to the fund yet undetermined.....			2,834,505.98
Total.....			22,676,000.54

NOTE.—The gold-standard fund is benefited by the amount of interest earned on deposits of the fund in the United States, and the premiums on demand and telegraphic drafts sold under provisions of Act No. 938. The amounts accruing to the fund from these sources, as incorporated in the monthly treasury statements during the fiscal year 1904, are as follows:

Premiums on drafts sold.....	₱ 68,145.15
Interest on deposits.....	125,535.44
Total.....	193,680.59

THE CONGRESSIONAL RELIEF FUND.

By act of Congress approved March 3, 1903, the sum of \$3,000,000 United States currency was appropriated for relief of distress in the Philippine Islands, to be expended under the direction and in the discretion of the Philippine government, in such proportions as they deem wise, in the direct purchase and distribution or sale of farm implements, farm animals, supplies, and necessities of life, and through the employment of labor in the construction of government wagon roads and other public works. The act further provides that the governor of the Philippines shall submit to the Secretary of War a statement of all expenditures under this fund.

The sum so appropriated was transmitted to the treasurer of the Philippine Islands and taken into the account of insular funds as ₱6,000,000. As contemplated by the appropriating act, and for the purpose of making the reports required thereunder, the identity of

the fund has been maintained and expenditures made therefrom have been segregated from the ordinary expenses of the government.

The procedure inaugurated by the Philippine Commission as to the disposition of this fund was to set apart by means of appropriation acts specified sums for specific purposes, such as public works, etc., as well as amounts for expenditure under direction of the civil governor in such manner as might from time to time be authorized by resolution of the Commission.

The following statement of account shows the expenditures from the fund as audited to June 30, 1904, together with the various cash balances remaining on hand and making up the full amount of the Congressional appropriation:

Fiscal year 1903:		Philippines currency.
Purchase of rice.....		₱193,862.46
Fiscal year 1904:		
Public works and permanent improvements—		
Villaverde trail.....	₱44,265.31	
Capas-Iba-O'Donnell road.....	42,125.84	
Vigan-Bangued road.....	66,617.68	
Pasacao-Nueva Caceres road.....	30,486.59	
Bacon-Bulasan road.....	44,575.88	
Pagbilao-Atimonan road.....	73,524.09	
Carcar-Barili road.....	43,274.46	
Bay-Tiaong road.....	5,894.52	
Sogod-Putad road.....	817.30	
Calamba-Los Banos-Bay road.....	2,687.70	
Lucena-Sariaya road.....	3,836.85	
Benguet road.....	732,521.01	
Shovels.....	142.04	
Government laboratories.....	25,533.25	
		1,116,302.52
Purchase of rice.....		1,001,879.84
Purchase and care of carabao.....		315,348.00
Board of health, veterinarians and inoculators.....		64,766.96
Bureau of agriculture—		
Live stock.....	5,169.23	
Locust boards.....	5,155.00	
		10,324.23
Charter of the steamship <i>Kodiak</i> for the transportation of rice, etc.....		10,920.00
Payments to provinces—		
Moro Province, for expenditure under the direction of the legislative council.....	300,000.00	
Albay Province, for expenditure by the provincial board in public improvements and relief.....	50,000.00	
		350,000.00
Donations—		
Relief of fire sufferers, Maraquina.....	1,471.47	
Nazario Crisostomo, for support, incapacitated in government service.....	1,000.00	
		2,471.47
Total expenditures.....		3,065,875.48
Loans—		
Batangas Province.....	2,000.00	
Ilocos Sur Province.....	20,000.00	
Romblon.....	8,000.00	
		30,000.00
Cash balances—		
Balance in the hands of disbursing officers.....	458,332.55	
Available for appropriation.....	903,928.52	
Undrawn appropriations.....	1,541,863.45	
		2,904,124.52
Amount of original Congressional appropriation.....		6,000,000.00

THE MONEY-ORDER SYSTEM.

DEPARTMENT OF COMMERCE AND POLICE, BUREAU OF POSTS.

The money-order system of the Philippine Islands, operated by the bureau of posts, is analogous to that of the United States in all of its details.

Money orders issued in the United States and paid in the Philippines are charged to the United States. Orders issued in the Philippines and paid in the United States are charged to the Philippines. Under this reciprocal arrangement paid orders are respectively transmitted as remittances to the country in which issued.

The only revenue which accrues from the money-order system is the net amount of fees received, after all losses have been deducted therefrom.

An analysis of the money-order statement shows that there were balances in the hands of postmasters June 30, 1903, amounting to \$1,251,631.85, and there was due from former postmasters at that date \$7,002.60, and due to former postmasters the sum of \$36.18. During the fiscal year 68,034 money orders were issued, for the aggregate sum of \$3,102,606.38, upon which fees were received amounting to \$12,623.95, with gains by exchange amounting to \$399.28.

The number of orders paid and repaid during the fiscal year was 33,637, aggregating \$1,564,753.41. There was remitted to the United States for the credit of the Philippine money-order system, on account of money orders of Philippine issue paid in the United States, the sum of \$2,000,000. There was transferred to postal funds \$12,071.17, and \$8,719.89 was deposited in the insular treasury on account of invalid money orders, for the credit of a permanent appropriation from which claims for invalid and lost money orders are payable.

There were balances in the hands of postmasters on June 30, 1904, aggregating \$786,104.02, which includes the balance in the hands of the postmaster at Manila as the designated depository on money-order funds.

There was due from former postmasters the sum of \$2,615.90, while the balances due former postmasters June 30, 1904, aggregated \$35.85.

Appended is a tabulated statement of the money-order transactions during the fiscal year at each of the various money-order offices in the islands to June 30, 1904, and a statement of the general account with the United States, as shown by the records of this office.

The account is stated entirely in United States currency, all transactions of the money-order system being so expressed.

Statement of the money-order business of the post-offices in the Philippine Islands, fiscal year 1904.

DEBIT.

Post-office.	Balance in the hands of postmasters June 30, 1903.	Balance due from former postmasters June 30, 1903.	Number of orders issued.	Amount of orders issued.	Fees.	Deposits received at Manila from postmasters.	Funds received, transferred from Manila.	Gain on exchange.	Balance due former postmasters June 30 1904.	Total.
Angles	\$87.96		305	\$10,480.80	\$52.27		\$5.85			\$10,626.88
Aparr.	1,120.65	\$1,575.49	586	23,605.09	102.81		40.61			26,444.66
Bacolod.	358.69		525	16,581.50	78.74		438.33			17,457.26
Bacolod.			16	468.92	2.30					471.22
Baguio.	436.88		365	12,294.13	56.41		465.49			13,252.91
Balanga.			12	454.69	1.94		20			456.83
Bangued.			1		.05					.55
Batangas.	1,995.34		1,869	82,867.90	342.19		226.20			85,441.63
Bayambang.			267	5,520.35	32.91		136.96			5,690.12
Bayambong.			101	2,494.32	13.50					2,507.82
Boac.	46.64	.14	140	3,875.20	19.38		464.44		\$0.05	4,425.85
Cagayan.	5,626.97	2.03	563	30,745.14	118.03		24.49		5.00	36,521.66
Calamba.	400.53	999.83	888	24,111.04	122.31		1,523.59		.03	27,157.33
Calapan.			60	851.56	6.43		80.00			937.99
Calbayog.			1,083	39,055.84	170.69					39,226.53
Camp Jossman.			37	637.94	4.14					642.08
Camp Marahui.			89	2,210.85	12.48					2,223.33
Camp Overton.			854	43,884.18	169.54		10.00			44,063.72
Camp Stotsenberg.			698	11,343.95	76.45					11,420.40
Capiz.			159	4,825.69	23.61					4,849.30
Catbalogan.	49.08		206	14,190.97	65.84		10.83			14,316.82
Cavite.	813.44	2.00	2,317	80,582.55	365.81		1,805.00			83,568.80
Cebu.	1,027.92		1,572	63,391.84	270.55		1,800.00			66,490.31
Cervantes.			5	131.63	.71					132.34
Corregidor.	530.30		220	4,892.32	27.75					5,450.37
Cotabato.	200.19		1,121	57,015.58	221.58		4.70			57,442.02
Dagupan.	852.83		1,886	131,802.30	467.38		80.36			133,202.87
Dumaguete.			244	8,636.11	39.35					8,675.46
Iba.			1	8.04	.10					8.14
Iligan.	798.27		1,833	105,372.54	394.65					106,565.46
Iloilo.	2,350.14		3,530	161,559.17	646.79		832.52			165,388.62
Jolo.	429.45		1,494	49,401.20	228.62		563.00		30.16	50,652.43
Laong.	8,396.01		658	24,986.88	108.43		1,566.44			35,027.76
Legaspi.	1,50.50	.25	1,621	66,942.36	283.24		3,252.30			71,520.18
Lingayen.			453	13,513.65	66.29					13,630.44
Los Baños.			63	1,631.59	8.48		160.00			1,800.07
Lucena.	125.02		1,239	35,021.61	173.95		942.42			36,263.00
Malabang.	2,353.79		2,547	106,105.99	448.22		6.12			110,914.12

Statement of the money-order business of the post-offices in the Philippine Islands, fiscal year 1904.—Continued.

DEBIT—Continued.

Post-office.	Balance in the hands of postmasters June 30, 1903.	Balance due from former postmasters June 30, 1904.	Number of orders issued.	Amount of orders issued.	Fees.	Deposits received at Manila from postmasters.	Funds received, transferred from Manila.	Gain on exchange.	Balance due former postmasters June 30, 1904.	Total.
Madros.....			24	\$546.22	\$7.28	\$1,473,872.27				\$549.50
Manila.....	\$1,213,973.06		26,039	1,358,121.70	5,284.00			\$399.28		4,051,030.33
Masbate.....			124	3,345.55	16.80				\$0.64	3,362.35
Misamis.....							\$1,506.15			43,384.28
Nueva Caceres.....	1,591.82		945	40,008.10	168.21		850.08			16,068.04
Ormae.....	159.00		603	14,960.64	80.32					8,444.67
Romblon.....			219	8,408.32	36.35					1,427.73
San Fernando, Pampanga.....			84	1,118.43	9.30					11,005.51
San Fernando, Union.....	42.17		300	9,089.77	45.23		928.34			50,847.70
San Isidro.....	286.30	\$1,384.56	1,161	40,786.33	184.91		8,205.70			22,922.87
San Jose.....	513.29		555	17,676.05	83.05		4,650.48			1,068.59
San Juan.....			26	1,064.08	4.51					10,171.92
Santa Cruz.....	130.40		246	8,794.54	39.66		1,207.22			49,743.92
Sorsogon.....	320.78		1,248	48,163.26	200.03		1,050.55			60,314.08
Surigao.....			79	2,561.15	11.86				.30	2,326.09
Tarlagon.....	371.41	3,038.30	1,601	65,128.58	275.49		500.00			441.41
Tagbilaran.....			54	2,439.12	9.76					2,865.75
Talibao.....			16	1,005.85	9.90		850.00			71,858.90
Tuguegarao.....			67	2,005.45	9.90		70.41			48,008.62
Twin Peaks.....			1,528	71,493.48	205.10		838.60			119,814.15
Union.....	1,223.84		871	46,646.45	179.73					
Visayas.....	3,957.23		2,556	114,817.21	470.68					
Zamboanga.....										
Total debit.....	1,251,631.85	7,002.60	68,034	3,102,606.38	12,623.95	1,473,872.27	35,705.41	399.28	36.18	5,883,877.92

CREDIT.

Post-office.	Number of orders paid and repaid.	Amount of orders paid and repaid.	Amount deposited at Manila.	Transferred from Manila to other offices.	Transferred to postal funds.	Credit to postmaster, Manila, for remittances to United States.	Deposited in treasury, in account of invalid money orders.	Balance due former postmasters June 30, 1903.	Balance due the Government June 30, 1904.	Total.
Angies.	54	\$1,138.19	\$0,484.19						\$24.50	\$10,626.88
Apurri.	85	3,138.70	20,943.24						767.22	26,444.65
Bacolod.	85	2,232.46	15,128.39					\$1,575.49	96.41	17,417.96
Bacolod.									1.11	1.11
Baguio.	119	4,829.37	7,823.01						600.53	13,232.91
Balanga.	2	5.20	451.63							456.83
Baguio.									55	55
Baguio.	280	9,700.43	74,415.00						1,326.20	85,441.63
Bayambang.	19	735.25	4,860.00						34.87	5,690.12
Bayambang.	3	67.50	1,976.57						463.75	2,507.82
Bos.	19	685.35	3,662.04			\$0.05			68.41	4,425.85
Capayan.	81	3,794.63	32,058.37					2.03	661.63	38,521.66
Calamba.	212	7,376.43	18,717.93						63.14	27,157.53
Calapan.	17	385.86	18,377.00						176.13	937.99
Calbayog.	53	2,435.62	32,446.25						4,344.66	39,226.53
Camp Joesman.			587.00						55.06	642.06
Camp Marahui.	1	34.30							2,223.33	2,223.33
Camp Overton.	68	5,751.68	36,897.25						1,414.79	44,063.72
Camp Stotsenberg.	47	1,442.63	9,832.45						145.32	11,420.40
Capiz.	12	346.02	4,038.59						464.69	4,849.30
Calaboglan.	45	1,288.48	12,984.80						42.54	14,316.82
Cavite.	454	14,253.58	67,174.35						2,100.87	83,568.80
Cebu.	583	25,702.35	40,629.05						188.91	66,490.31
Cervantes.									132.34	132.34
Corregidor.	33	581.32	4,863.84						5.21	5,450.37
Cotabato.	129	4,314.04	49,917.27						3,210.71	57,442.02
Dagupan.	231	8,163.97	124,935.27						103.63	133,202.87
Dumaguete.	32	1,997.08	6,386.32						292.06	8,675.46
Ilo.									8.14	8.14
Iligan.	380	21,796.44	79,740.16						5,028.86	104,565.46
Iloilo.	981	37,414.76	127,162.77						791.09	165,388.62
Jolo.	271	9,327.78	38,805.11						2,489.38	50,652.43
Laog.	123	5,416.65	29,562.93						48.18	35,027.76
Legaspi.	247	12,291.23	58,548.11						680.59	71,520.18
Lingayen.	65	2,805.24	10,786.18					25	36.02	13,630.44
Los Baños.	12	376.02	1,319.99						104.06	1,800.07
Lucena.	113	3,927.36	31,790.02						545.62	36,263.00
Malaibang.	350	19,274.98	83,913.40						7,725.74	110,914.12
Malolos.	5	84.79	428.93						35.78	546.50
Manila.	26	1,259,975.85		\$35,705.41	\$12,071.17	\$2,000,000.00	\$8,719.89		735,458.61	4,051,930.93
Maabate.	21	555.46	2,665.11						141.78	3,362.35

Statement of the money-order business of the post-offices in the Philippine Islands, fiscal year 1904.—Continued.

CREDIT—Continued.

Post-office.	Number of orders paid and repaid.	Amount of orders paid and repaid.	Amount deposited at Manila.	Transferred from Manila to other offices.	Transferred to postal funds.	Credit to postmaster, Manila, for remittances to United States.	Deposited in treasury, account of money orders.	Balance due former postmasters June 30, 1903.	Balance due from former postmasters June 30, 1904.	Balance due the Government June 30, 1904.	Total.
Misamis.....	173	\$7,493.10	\$34,567.46					\$0.64		\$1,301.72	\$0.64
Nueva Caceres.....	141	4,621.83	11,320.14							117.07	43,364.28
Olongapo.....	19	634.34	7,337.88							472.45	16,068.04
Ormoc.....	13	234.88	8,573.41							208.02	8,444.67
Romblon.....	85	2,388.96	37,270.87							44.11	1,427.73
San Fernando, Pampanga.....	269	13,375.52	14,739.77							201.31	11,005.51
San Fernando, Union.....	155	8,047.79	948.62							135.35	50,847.70
San Isidro.....	1	29.86	7,517.82							90.11	22,922.87
San Jose.....	94	2,628.51	44,510.30							25.49	1,068.50
Santa Cruz.....	116	4,840.85	2,057.75							383.57	10,171.82
Sorsogon.....	14	415.61	56,943.70							99.65	48,743.92
Surigao.....	219	9,383.36	2,303.41							3,043.72	2,573.01
Tacloban.....	1	4.42	2,303.41							16.26	69,314.08
Tarlac.....	1	72	1,383.73						\$38.30	50.91	2,726.09
Tuguegarao.....	27	1,265.28	1,383.00							207.47	2,863.75
Twin Peaks.....	87	3,687.82	67,434.00							732.17	71,858.49
Vigan.....	132	4,847.93	40,536.45							3,555.24	48,008.02
Zamboanga.....	591	27,063.51	81,368.63							3,382.01	119,814.15
Total credit.....	33,637	1,564,753.41	1,473,872.27	\$35,705.41	\$12,071.17	\$2,000,000.00	\$8,719.89	35.85	2,615.90	786,104.02	5,883,877.92

Recapitulation of money-order business.

Character of Item.	Debit.	Credit.
Balance in the hands of postmasters June 30, 1903.....	\$1,251,631.85	
Amount due from former postmasters June 30, 1903.....	7,002.60	
Amount received for money orders issued.....	3,102,606.38	
Amount received for fees on money orders issued.....	12,623.95	
Amount of gain on exchange.....	399.28	
Balance due former postmasters June 30, 1904.....	36.18	
Amount of money orders paid.....		\$1,564,753.41
Amount transferred to postal funds.....		12,071.17
Amount credited to postmaster at Manila for remittances to United States.....		2,000,000.00
Amount deposited in Treasury on account of invalid money orders.....		8,719.89
Amount due former postmasters June 30, 1903.....		35.85
Amount due from former postmasters June 30, 1904.....		2,615.90
Balance in the hands of postmasters June 30, 1904.....		786,104.02
Total.....	4,374,300.24	4,374,300.24

General account of money-order transactions between the Philippine Islands and the United States.

[Amounts expressed in United States currency.]

Character of Item.	Debit.	Credit.
Balance due United States June 30, 1903.....	\$705,696.99	
Orders of Philippine issue paid in the United States, fiscal year 1904:		
First quarter.....	316,662.16	
Second quarter.....	370,270.37	
Third quarter.....	360,335.26	
Fourth quarter.....	399,810.00	
Orders of United States issue paid in the Philippines, fiscal year 1904:		
First quarter.....		\$23,283.70
Second quarter.....		23,347.27
Third quarter.....		26,537.67
Fourth quarter.....		30,514.68
Cash remitted to United States, fiscal year 1904:		
First quarter.....	\$1,000,000.00	
Third quarter.....	500,000.00	
Fourth quarter.....	500,000.00	
Balance due United States.....		2,000,000.00
Total.....	2,152,774.78	2,152,774.78

THE PROVINCIAL GOVERNMENTS.

FISCAL AFFAIRS OF THE PROVINCES.

Under the provisions of Act No. 83, as amended by Act No. 133 and other acts, the revenue collected in the provinces and municipalities for local purposes is not deposited in the insular treasury, but is deposited with the treasurer of the province in which collected. That portion which accrues to each municipality is returned to the municipal treasurer and disbursed by him under direction of the municipal board, in accordance with the general provisions of the municipal code. The provincial treasurer exercises over the municipal accounts the functions of an auditor, and is by law required to examine the accounts of each municipality in his province at stated intervals. Each provincial treasurer renders a monthly account to the auditor for the islands covering all of his receipts and disbursements, as in the case of insular officials, but as provincial instead of insular funds, and the accounts are adjusted and settled independently of insular receipts and disbursements.

The policy of the Commission of giving needed assistance to the provinces in various ways—by loans, refunds of internal revenue and forestry collections, and by appropriations outright—was continued during the fiscal year 1904.

INSULAR LOANS TO PROVINCES.

Loans of insular funds to provinces were made during the fiscal year 1904 as follows:

Province.	Philippines currency.	Province.	Philippines currency.
Albay.....	P25,000	Occidental Negros.....	P20,000
Antique.....	7,500	Paragua.....	10,000
Batangas.....	13,300	Tayabas.....	13,085
Capiz.....	15,000	Union.....	20,000
Ilocos Sur.....	3,000	Zambales.....	5,000
Laguna.....	20,000		
Misamis.....	5,000	Total.....	171,885
Nueva Ecija.....	15,000		

During the fiscal year 1904 the insular government received repayments of loans to provinces as follows:

Province.	Date.	Philippines currency.
Bataan.....	January.....	P2,500.00
Do.....	June.....	2,500.00
Bulacan.....	September.....	10,000.00
Ilocos Sur.....	May.....	3,000.00
Isabela.....	January.....	5,133.93
Laguna.....	June.....	20,000.00
Samar.....	December.....	5,217.30
Total.....		48,351.23

On June 30, 1904, there were due from provinces the following unpaid balances for loans made by the insular government:

Province.	Philippines currency.	Mexican currency.
Albay.....	P25,000.00	
Antique.....	22,500.00	
Batangas.....	63,300.00	
Capiz.....	70,000.00	
Misamis.....	5,000.00	
Nueva Ecija.....	27,000.00	
Occidental Negros.....	20,000.00	
Paragua.....	21,000.00	
Union.....	37,000.00	
Zambales.....	10,000.00	
Samar.....		\$25,000.00
Abra.....	10,000.00	
Ambos Camarines.....	50,000.00	
Cavite.....	5,000.00	50,000.00
Iloilo.....	50,000.00	
Masbate.....	5,000.00	
Mindoro.....	5,000.00	
Pangasinan.....	5,000.00	
Rizal.....	7,000.00	
Surigao.....	4,000.00	
Total.....	441,800.00	75,000.00

STATEMENT OF FORESTRY-TAX SETTLEMENTS, FISCAL YEAR 1904.

Since July, 1902, the revenues collected on account of forestry taxes are refunded to the province in which the timber was cut, after deducting pro rata the expenses of the forestry bureau.

It should be noted that forestry taxes may be paid in the city of Manila or any province for the benefit of the province in which the timber was cut. The collections made are considered as refundable revenues and so appear under that general subject in the report. Adjustments between the provinces are made in this office and the amounts found due are refunded by settlement warrant. The net collections for the account of Benguet Province and the city of Manila are treated as insular revenues.

The following table shows the balances due June 30, 1903, the collections under the forestry laws for timber cut in each province, the expenses of the forestry bureau as prorated, the amounts refunded to provinces during the fiscal year, and the amounts refundable June 30, 1904:

	Balance due June 30, 1903.		Collections on account of timbers cut in provinces.		Pro rata expenses of forestry bureau, Philippines currency.	Amount refunded to June 30, 1904, Philippines currency.	Balance due June 30, 1904, Philippines currency.
	Philippines currency.	Mexican currency.	Philippines currency.	Mexican currency.			
Abra.....	₱147.78	\$2,569.84	₱4,434.09	\$1,408.61	₱3,386.43	₱3,384.20	₱1,312.29
Albay.....	207.78	2,719.03	4,062.43	2,804.99	3,732.52	3,872.34	1,544.95
Ambos Camarines.....	1,715.66	7,987.09	32,445.13	5,718.30	21,534.26	14,967.33	9,768.47
Antique.....	43.00	437.41	767.78	492.87	684.35	513.39	441.12
Bataan.....	774.54	10,663.32	14,204.11	7,438.80	12,103.33	13,835.02	5,017.16
Batangas.....	237.40	506.87	1,670.90	432.44	1,126.32	1,283.70	328.79
Benguet.....	1.08	200.12	1,339.56	173.32	635.67	.....	.....
Bohol.....	285.48	683.99	5,945.31	3,487.86	5,435.69	1,997.80	2,242.83
Bulacan.....	30.54	2,667.57	5,908.09	8,809.94	7,849.55	6,898.11	1,670.94
Cagayan.....	70.18	5,091.10	9,615.31	14,028.29	12,180.20	10,070.63	4,496.72
Capiz.....	5.98	873.81	1,743.82	1,653.22	1,823.06	1,723.77	522.86
Cavite.....	9.02	723.10	1,280.10	478.54	948.28	1,022.42	378.03
Cebu.....	44.90	598.65	3,948.46	2,265.19	3,370.04	1,521.50	1,629.30
Ilocos Norte.....	304.50	2,589.80	4,013.22	1,614.23	3,176.17	3,155.90	1,433.36
Ilocos Sur.....	329.70	932.20	1,512.53	1,551.16	1,668.39	1,678.25	682.32
Iloilo.....	.....	6,512.50	9,892.05	12,113.04	11,526.46	11,688.49	3,533.52
Isabela.....	.....	1,853.72	1,503.22	4,193.46	2,777.50	3,323.95	691.53
Laguna.....	161.16	1,752.88	2,332.24	3,838.06	3,209.70	3,319.97	951.82
Leganto Bontoc.....	.....	6.23	.....	.....	.....	5.42	.....
Leyte.....	1,009.22	2,702.24	11,248.45	3,853.50	8,644.47	5,739.78	3,982.93
Masbate.....	203.26	8,756.89	19,040.77	10,367.70	15,625.25	15,421.17	5,241.41
Mindoro.....	482.60	4,386.33	20,431.19	4,666.55	14,201.45	9,224.46	5,504.37
Misamis.....	.....	793.11	1,971.19	2,553.73	2,471.54	1,530.34	980.39
Moro.....	10,786.14	15,913.79	23,046.19	18,512.69	20,947.96	37,738.85	5,078.45
Nueva Ecija.....	1,361.90	1,537.75	5,392.22	2,186.30	4,203.70	5,122.54	1,011.22
Occidental Negros.....	486.84	5,450.80	15,179.53	17,914.80	18,146.71	12,144.69	6,213.71
Oriental Negros.....	336.40	1,078.93	1,172.23	2,942.87	2,112.90	2,514.06	462.64
Pampanga.....	113.14	4,844.47	8,926.00	6,105.78	8,029.58	8,574.53	2,163.21
Pangasinan.....	1,014.56	2,475.14	10,317.97	4,446.51	8,183.48	5,728.82	3,609.11
Paragua.....	.....	3,979.76	6,282.22	7,908.35	7,265.73	7,442.85	2,170.11
Rizal.....	120.14	2,216.37	4,875.13	2,045.74	3,821.26	3,631.76	1,305.49
Romblon.....	.....	895.21	1,315.45	1,707.86	1,573.79	1,543.36	512.46
Samar.....	162.00	682.48	4,557.40	2,891.44	4,180.34	1,931.25	1,800.21
Sorsogon.....	.....	1,900.14	5,754.54	3,004.55	4,771.80	3,848.53	1,582.91
Surigao.....	.....	516.02	2,105.67	2,229.42	2,196.55	1,572.58	799.85
Tarlac.....	2,030.36	4,747.05	9,723.85	3,356.95	7,181.58	10,064.78	1,681.31
Tayabas.....	1,429.94	24,004.03	52,643.53	46,180.22	51,771.24	50,056.54	14,742.79
Union.....	442.16	818.43	2,337.47	899.58	1,754.56	1,813.43	738.61
Zambales.....	392.24	6,990.30	18,468.21	8,613.08	15,623.83	11,260.05	5,819.52
City of Manila.....	.....	2.42	11.70	6.03	8.02	.....	.....
Total.....	24,830.20	144,211.49	331,509.86	225,195.97	299,886.06	281,366.56	102,051.71

SUMMARY.

	Philippines currency.	Mexican cur- rency.	Debit, Phil- ippines cur- rency.	Credit, equivalent in Philippines currency.
Balance June 30, 1903.....	P 24,830.20	\$144,211.49		P 149,390.34
Collections.....	331,509.86	225,195.97		536,235.47
Expenses of the forestry bureau.....			P 299,886.66	
Refunds.....			281,366.56	
Difference due to exchange of currency.....			2,318.88	
Balance due June 30, 1904.....			102,051.71	
Total.....			685,623.81	685,623.81

GENERAL ACCOUNTS OF PROVINCIAL TREASURERS.

Following will be found statements of the general accounts of the various provincial treasurers arranged by provinces in alphabetical order. These statements show the collections from all sources made in each province and in the municipalities during the fiscal year by the provincial treasurer or his deputies, the refunds from the insular treasury of internal-revenue and forestry collections under existing law, and all loans from the insular treasury. Disbursements for provincial purposes are likewise shown, together with all payments to municipalities, the balance due from each treasurer to the municipalities of his province as a whole, and the balance due each province June 30. The municipalities receive one-half of certain revenues collected, and municipal treasurers have no accountability to this office.

Each balance due a province is analyzed to show the amount represented by unsettled differences of the treasurer and late treasurers, and the amount of the actual cash balance with which the treasurer is chargeable at the close of the fiscal year.

REPORT OF THE PHILIPPINE COMMISSION.

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PROVINCE OF ABRA.

Organized September 1, 1901. Office of treasurer consolidated with that of supervisor by Act No. 629 February 10, 1903.

Character of item.	Philippines currency.	Local currency.	
DEBITS.			
Balance on hand July 1, 1903.....			Pfs. 8,624.62
	Philippines currency.	Local currency.	
Collections:		Pfs.	
Land tax, provincial.....	P4,811.28	3,188.22	
Land tax, municipal.....	5,311.80	3,769.04	
Registry of property.....	76.91	14.41	
Congressional relief fund, sales of rice.....	9,099.06	55.58	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	
Industrial.....	P1,420.91	929.82	
Cedula.....	6,231.74	3,824.00	
Stamp.....	96.55	46.64	
Cart.....	362.25		
	8,111.45	4,800.46	
Municipal taxes.....	4,597.07	5,805.53	
Receipts from insular treasury by warrant:			
S. No. 1589, Act No. 527 (for-estry refund).....	746.95		
S. No. 2011, Act No. 527 (for-estry refund).....	1,635.48		
S. No. 2646, Act No. 527 (for-estry refund).....	448.40		
S. No. 2914, Act 527 No. (for-estry refund).....	553.37		
	3,384.20		
Transfer from treasurer, Ilocos Sur Province.....		.69	
Exchanges and adjustments of currency.....	2,959.54	2,509.07	
			38,352.00
Total.....			20,142.31
			40,267.34
			28,766.93
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	4,407.98	5,866.98	
Public buildings.....	137.75	104.15	
Roads and bridges.....	1,236.10	30.00	
Contingent expenses.....	5,172.43	4,215.39	
	10,954.26	10,216.52	
Congressional relief fund:			
Roads and bridges.....	991.50		
Public buildings.....	793.34		
	1,784.84		
Payments to municipalities.....	11,274.36	12,703.23	
Exchanges and adjustments of currency.....	2,236.53	3,366.07	
			26,249.99
Balance due province:			
Unsettled differences, present treasurer.....	609.16		
Cash balance, present treasurer	8,640.56	2,132.74	
	9,249.72	2,132.74	
Balance due municipalities:			
Unsettled differences, present treasurer.....	2,594.72	348.37	
Cash balance, present treasurer	2,172.91		
	4,767.63	348.37	
			14,017.35
Total.....			2,481.11
			40,267.34
			28,766.93

PROVINCE OF ALBAY.

[Organized April 26, 1901.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			Pfs. 36,125.56
	Philippines currency.	Local currency.	
Collections:			
Land tax, provincial.....	₱13,647.22	29,760.38	
Land tax, municipal.....	16,249.95	37,208.34	
Registry of property.....	112.41	29.20	
Miscellaneous revenue.....	1,487.86	3.00	
	Philippines currency.	Local currency.	
Congressional relief fund:			
Sales of rice.....	₱2,004.20	24,750.00	
S. No. 1539, Act No. 797 (loan).....	50,000.00		
	52,004.20	24,750.00	
Joint provincial and municipal taxes:			
Industrial.....	47,885.70	39,962.24	
Cedula.....	24,748.30	26,617.19	
Stamp.....	1,803.67	921.55	
Cart.....	15.41	88.00	
	74,453.08	67,588.98	
Municipal taxes.....	16,619.25	41,896.37	
Receipts from insular treasury by warrant:			
S. No. 1626 (internal-revenue refund).....	127.82		
S. No. 1590, Act No. 527 (forestry refund).....	1,703.59		
S. No. 2012, Act No. 527 (forestry refund).....	868.56		
S. No. 2647, Act No. 527 (forestry refund).....	922.30		
S. No. 2916, Act No. 527 (forestry refund).....	377.89		
S. No. 1845, Act 891 (loan).....	25,000.00		
	29,000.16		
Exchanges and adjustments of currency.....	88,536.38		
	292,110.51		201,235.27
Total.....	309,622.33		237,361.85
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	51,229.55	15,817.27	
Public buildings.....	1,978.60	8,065.71	
Roads and bridges.....	13,784.47	15,707.56	
Contingent expenses.....	48,339.97	6,556.59	
	115,332.59	46,147.13	
Congressional relief fund:			
Contingent expenses.....	968.85		
Roads and bridges.....	17,885.53		
	18,854.38		
Payments to municipalities.....	72,142.47	83,963.57	
Exchanges and adjustments of currency.....		100,425.88	
		206,329.44	230,536.58
Balance due province:			
Unsettled differences, former treasurer.....	283.18	1,850.06	
Unsettled differences, present treasurer.....	1,401.70	173.25	
Cash balance, present treasurer.....	72,584.28	1,383.67	
	74,269.16	3,406.98	
Balance due municipalities:			
Unsettled differences, former treasurer.....	1.90	4.29	
Unsettled differences, present treasurer.....	2,219.56	605.22	
Cash balance, present treasurer.....	26,802.27	2,808.78	
	29,023.73	3,418.29	
Total.....	309,622.33		6,825.27
	309,622.33		237,361.85

PROVINCE OF AMBOS CAMARINES.

[Organized April 27, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	Philippines currency.	Local currency. <i>P/s.</i>
	₱4,295.20	29,918.91
Collections:		
Land tax, provincial.....	₱19,435.34	22,812.84
Land tax, municipal.....	24,312.64	29,419.10
Registry of property.....	366.25	25.08
Miscellaneous revenue.....		.05
Congressional relief fund, sales of rice.....	16,093.36	5,333.27
Joint provincial and municipal taxes:		
	Philippines currency.	Local currency. <i>P/s.</i>
Industrial.....	₱24,922.27	23,672.55
Cedula.....	12,635.10	26,162.37
Stamp.....	969.32	721.76
Cart.....	454.96	323.73
	38,981.65	50,880.41
Municipal taxes.....	2,932.08	3,940.94
Receipts from insular treasury by warrants:		
S. No. 1591, Act No. 527 (for- estry refund).....	3,636.90	
S. No. 2013, Act No. 527 (for- estry refund).....	5,024.61	
S. No. 2648, Act No. 527 (for- estry refund).....	4,200.07	
S. No. 2917, Act No. 527 (for- estry refund).....	2,105.75	
	14,967.33	
Exchanges and adjustments of cur- rency.....	76,833.46	46,382.74
Total.....	193,922.11	158,794.43
	198,217.31	188,713.34
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	34,362.34	8,109.22
Public buildings.....	3,986.94	279.40
Roads and bridges.....	6,307.36	3,743.60
Contingent expenses.....	25,656.86	7,343.64
	70,313.50	19,475.86
Congressional relief fund:		
Roads and bridges.....	11,703.43	4,743.77
Public buildings.....	4,389.93	
	16,093.36	4,743.77
Payments to municipalities.....	55,526.94	49,576.22
Exchanges and adjustments of currency.....	41,213.11	86,982.03
Balance due provinces:		
Unsettled differences, present treasurer.....	37.65	
Unsettled differences, present credit.....	1,251.40	
Cash balance, present treas- urer.....	2,461.46	27,927.55
	1,210.06	27,965.20
Balance due municipalities:		
Unsettled differences, present treasurer.....	1,506.07	
Unsettled differences, present credit.....	30.24	
Cash balance, present treas- urer.....	12,354.27	.50
	13,890.34	29.74
	15,070.49	27,935.46
Total.....	198,217.31	188,713.34

THE PROVINCE OF ANTIQUE.

[Organized April 13, 1901. Office of treasurer consolidated with that of supervisor by Act No. 623, February 10, 1903.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			₱1,451.62
Collections:	Philippines currency.	Local currency.	
Land tax, provincial.....	₱4,586.32	8,208.05	
Land tax, municipal.....	6,112.73	10,943.80	
Congressional relief fund, sales of rice.....	429.37	2,598.05	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	
		P/s.	
Industrial.....	₱4,528.36	1,767.50	
Cedula.....	8,707.11	6,226.38	
Stamp.....	352.76	146.75	
Cart.....	146.83	224.71	
	13,735.06	8,365.34	
Municipal taxes.....	2,502.73	6,948.76	
Receipts from insular treasury by warrant:			
S. No. 1592, Act No. 527 (for-estry refund).....	282.30		
S. No. 2014, Act No. 527 (for-estry refund).....	141.07		
S. No. 2649, Act No. 527 (for-estry refund).....	76.99		
S. No. 2918, Act No. 527 (for-estry refund).....	13.03		
S. No. 2196 (loan).....	7,500.00		
	8,013.39		
Differences due to changes in ratio of exchange.....	8.88		
Exchanges and adjustments of currency.....	6,064.36		
		41,452.84	37,064.09
Total.....		42,904.46	45,262.38
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	13,166.52	6,695.42	
Public buildings.....	25.00	40.25	
Roads and bridges.....	2,037.22	457.85	
Contingent expenses.....	3,518.91	3,102.48	
	18,747.65	10,296.00	
Congressional relief fund, roads and bridges.....	1,885.62	2,518.21	
Payments to municipalities.....	15,800.78	23,316.77	
Exchanges and adjustments of currency.....		6,936.95	
		36,434.05	43,067.93
Balance due province:			
Unsettled differences, former treasurer.....	1,101.01		
Unsettled differences, present treasurer.....	133.37	24.05	
Cash balance, present treasurer.....	5,190.89	2,012.02	
	6,425.27	2,036.07	
Balance due municipalities:			
Unsettled differences, former treasurer.....	29.65	113.38	
Unsettled differences, present treasurer.....	.50		
Cash balance, present treasurer.....	14.99	44.97	
	45.14	158.35	
		6,470.41	2,194.42
Total.....		42,904.46	45,262.38

THE PROVINCE OF BATAAN.

[Organized March 2, 1901. Office of treasurer consolidated with that of supervisor by Act No. 823, August 4, 1903.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱2,065.60	P/s. 3,654.60
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	₱10,032.74	4,495.74
Land tax, municipal.....	9,455.53	4,432.88
Registry of property.....	12.00	19.35
Miscellaneous revenues.....		6.90
Congressional relief fund, sales of rice.....	309.60	
Joint provincial and municipal taxes:		
Philippines currency.	Local currency.	
Industrial.....	₱4,674.06	3,972.43
Cedula.....	7,965.25	4,562.13
Stamp.....	129.80	267.54
Cart.....	421.19	540.34
	13,190.30	9,342.44
Municipal taxes.....	5,474.02	6,512.60
Receipts from insular treasury by warrant:		
S. No. 1593, Act No. 527 (for- estry refund).....	2,837.80	
S. No. 2015, Act No. 527 (for- estry refund).....	7,209.42	
S. No. 2645, Act No. 527 (for- estry refund).....	1,139.69	
S. No. 2650, Act No. 527 (for- estry refund).....	1,139.69	
S. No. 2919, Act No. 527 (for- estry refund).....	1,508.42	
	13,835.02	
Exchanges and adjustments of currency.....	8,619.55	
	60,928.76	24,809.91
Total.....	62,994.36	28,464.51
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	13,361.80	4,450.03
Public buildings.....	60.00	179.88
Roads and bridges.....	413.25	1,441.39
Contingent expenses.....	5,601.91	406.44
	19,436.96	6,477.74
Congressional relief fund, roads and bridges.....	309.60	
Repayment of loan to province.....	5,000.00	
Payments to municipalities.....	29,051.92	11,894.23
Exchanges and adjustments of currencies.....		9,681.62
	53,798.48	28,053.59
Balance due province:		
Unsettled differences, present treasurer.....	142.37	73.56
Cash balance, present treas- urer.....	6,222.26	178.28
	6,364.63	251.84
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....		
Cash balance, present treas- urer.....	2,831.25	159.08
	2,831.25	159.08
	9,195.88	410.92
Total.....	62,994.36	28,464.51

THE PROVINCE OF BATANGAS.

[Organized May 2, 1901.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			₱8,835.16
	Philippines currency.	Local currency.	
Collections:		P/s.	
Land tax, provincial.....	₱22,116.70	6,863.48	
Land tax, municipal.....	19,058.50	6,157.03	
Registry of property.....	202.00	11.50	
Miscellaneous revenues.....	650.64		
Congressional relief fund:			
Sales of rice.....	56,967.26	40,493.40	
S. No. 1652, Act No. 793 (loan).....	2,000.00		
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	P/s.
Industrial.....	₱18,592.33	4,898.24	
Cedula.....	52,475.64	20,541.37	
Stamp.....	1,041.42	331.19	
Cart.....	465.04	186.74	
	72,574.43	25,957.54	
Municipal taxes.....	27,764.04	20,860.52	
Receipts from insular treasury by warrant:			
S. No. 1627 (internal-revenue refund).....	415.76		
S. No. 1594, Act No. 527 (for- estry refund).....	384.26		
S. No. 2016, Act No. 527 (for- estry refund).....	293.89		
S. No. 2651, Act No. 527 (for- estry refund).....	440.34		
S. No. 2920, Act No. 527 (for- estry refund).....	165.21		
S. No. 1860, Act No. 913 (road and bridge expenses).....	12,442.48		
S. No. 3109, Act No. 1166 (loan).....	8,800.00		
S. No. 2799, Act No. 1085 (loan).....	4,500.00		
S. No. 1530, Act No. 775 (build- ing fund).....	45,000.00		
	27,441.94	45,000.00	
Repayment of loan by municipali- ties.....	100.00		
Differences due to changes in ratio of exchange.....		.29	
Exchanges and adjustments of currency.....	62,248.43	9,891.98	
		291,123.94	155,235.74
Total.....		299,959.10	189,103.98
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	32,017.94	2,987.61	
Public buildings.....	542.90	54.54	
Roads and bridges.....	27,219.93	26,850.98	
Contingent expenses.....	21,511.59	9,744.72	
		81,292.36	39,637.85
Congressional relief fund:			
Roads and bridges.....	55,712.20	34,054.83	
Public buildings.....	1,247.56		
		56,959.76	34,054.83
Payments to municipalities.....		80,711.62	40,165.32
Loans to municipalities.....		4,420.00	100.00
Exchanges and adjustments of currency.....		8,880.71	70,792.96
			232,264.45
Balance due province:			
Unsettled differences, present treasurer.....	472.59	40.50	
Cash balance, present treas- urer.....	63,519.18	3,860.04	
		63,991.77	3,900.54
Balance due municipalities:			
Unsettled differences, present treasurer.....	3,437.37	452.48	
Cash balance, present treas- urer.....	265.51		
		3,702.88	452.48
			67,694.65
Total.....			299,959.10
			189,103.98

THE PROVINCE OF BENGUET.

[Organized November 23, 1900. Supported by insular appropriations.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			P439.16
	Philippines currency.	Local currency.	P/s.
Collections:			
Miscellaneous provincial revenues.....	P500.06	473.06	
Receipts from insular treasury by warrant:			
Philippines currency.			
Local currency.			
P/s.			
S. No. 1703, Act No. 807 (general expenses).....	P5,000.00		
S. No. 1983, Act No. 807 (general expenses).....	5,000.00		
S. No. 2443, Act No. 807 (general expenses).....	5,400.00		
S. No. 1540, Act No. 795 (wagon-road expenses).....	700.00		
	16,100.00		
Exchanges and adjustments of currency.....	312.31		
		16,912.97	473.06
Total.....		17,352.13	8,036.71
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	P5,478.29	3,625.84	
Public buildings.....	364.88	31.00	
Roads and bridges.....	2,221.78	992.75	
Contingent expenses.....	5,873.40	2,906.73	
	13,938.35	7,556.32	
Refund to insular government of insular funds.....	293.80		
Exchanges and adjustments of currency.....		350.54	
		14,232.15	7,906.86
Balance due province.....			
Unsettled differences, present treasurer.....	1,420.24		
Cash balance, present treasurer.....	1,699.74	129.85	
	3,119.96	129.85	
		3,119.96	129.85
Total.....		17,352.13	8,036.71

THE PROVINCE OF BOHOL.

[Organized April 20, 1901; office of treasurer consolidated with that of supervisor by Act No. 872, September 8, 1903.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....	Philippines currency.	Local currency. P/s.	P/s.
			20,331.82
Collections:			
Land tax, provincial.....	P8,205.00	9,552.45	
Land tax, municipal.....	10,937.61	12,737.35	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency. P/s.	
Industrial.....	P8,245.21	10,781.80	
Cedula.....	10,490.78	48,595.86	
Stamp.....	555.95	1,062.85	
Cart.....		251.00	
	19,291.94	60,691.51	
Municipal taxes.....	3,306.42	16,867.07	
Receipts from insular treasury by warrant:			
S. No. 2346 (internal-revenue refunds).....	84.72		
S. No. 1595, Act No. 527 (for- estry refund).....	78.92		
S. No. 2017, Act No. 527 (for- estry refund).....	517.54		
S. No. 2652, Act No. 527 (for- estry refund).....	556.52		
S. No. 2921, Act No. 527 (for- estry refund).....	844.82		
	2,082.52		
Transfer from provincial treas- urer, Cebu.....		.72	
Exchanges and adjustments of currency.....	51,214.81	32,974.34	
	95,038.30		132,823.44
Total.....	112,522.82		153,155.26
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	24,785.28	6,439.07	
Public buildings.....	3,020.64	4,132.30	
Roads and bridges.....	631.23	504.65	
Contingent expenses.....	11,545.61	2,446.71	
	39,982.76	13,522.73	
Payments to municipalities.....	17,870.22	64,286.28	
Exchanges and adjustments of currency.....	29,705.35	57,377.16	
	87,558.33		136,186.17
Balance due province:			
Unsettled differences, former treasurer.....	57.39	447.00	
Unsettled differences, present treasurer.....	180.00		
Cash balance, present treas- urer.....	17,656.21	16,806.67	
	17,893.60	17,253.67	
Balance due municipalities:			
Unsettled differences, former treasurer.....	30.70		
Unsettled differences, present treasurer.....			
Cash balance, present treas- urer.....	7,040.19	715.42	
	7,070.89	715.42	
	24,964.49		17,969.09
Total.....	112,522.82		153,155.26

THE PROVINCE OF BULACAN.

[Organized February 27, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P 6,376.66	P/s. 39,972.07
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	P 49,259.76	40,398.10
Land tax, municipal.....	59,784.17	43,533.26
Registry of property.....	274.60	145.43
Miscellaneous revenues.....	776.88	521.80
Congressional relief fund, sales of rice.....	6,843.89	32,627.00
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	P 36,088.09	41,388.96
Cedula.....	33,345.50	14,775.76
Stamp.....	612.73	813.66
Cart.....	7,148.26	371.98
	77,194.58	57,350.36
Municipal taxes.....	19,899.35	28,315.10
Receipts from insular treasury by warrant:		
S. No. 1628 (internal-revenue refunds).....	19.41	
S. No. 1596, Act No. 527 (forestry refund).....	976.05	
S. No. 2018, Act No. 527 (forestry refund).....	1,629.05	
S. No. 2653, Act No. 527 (forestry refund).....	2,509.08	
S. No. 2922, Act No. 527 (forestry refund).....	1,783.93	
	6,917.52	
Repayment of loans by municipalities.....	600.00	1,725.20
Exchanges and adjustments of currency.....	100,577.31	29,115.43
Total.....	322,128.06	223,731.68
	328,504.72	273,703.75
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	18,967.63	17,728.95
Public buildings.....	25,178.86	
Roads and bridges.....	14,268.00	4,881.29
Contingent expenses.....	8,336.21	11,941.01
	66,750.70	34,551.25
Congressional relief fund:		
Roads and bridges.....	17,016.60	21,824.16
Repayment of loan.....	10,000.00	
Payments to municipalities.....	129,433.04	99,802.88
Exchanges and adjustment of currency.....	26,113.85	114,220.43
Balance due province:		
Unsettled differences, former treasurer.....	1,935.12	2,749.86
Unsettled differences, present treasurer.....	130.49	208.24
Cash balance, present treasurer.....	73,566.83	326.85
	75,632.44	3,284.95
Balance due municipalities:		
Unsettled differences, former treasurer.....	11.24	.07
Unsettled differences, present treasurer.....	3,546.85	20.01
Cash balance.....		
	3,558.09	20.08
	79,190.53	3,305.03
Total.....	328,504.72	273,703.75

THE PROVINCE OF CAGAYAN.

[Organized September 1, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P24,028.06	P/s. 55,357.70
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	P2,563.82	22,808.96
Land tax, municipal.....	4,556.77	45,332.32
Registry of property.....	4.15	19.95
Miscellaneous revenues.....	221.50	3.45
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	P15,953.48	32,811.91
Cedula.....	15,962.95	25,387.17
Stamp.....	358.22	640.90
Cart.....	1,356.51	1,527.51
	<u>33,631.16</u>	<u>60,367.49</u>
Municipal taxes.....	9,296.92	29,382.37
Receipts from insular treasury by warrant:		
S. No. 1597, Act No. 527 (for- easry refund).....	1,408.85	
S. No. 2019, Act No. 527 (for- easry refund).....	3,048.74	
S. No. 2654, Act No. 527 (for- easry refund).....	4,286.74	
S. No. 2923, Act No. 527 (for- easry refund).....	1,326.30	
	<u>10,070.63</u>	
Exchanges and adjustments of currency.....	106,136.71	88,575.98
	<u>166,481.66</u>	<u>246,580.52</u>
Total.....	190,509.72	301,938.22
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	20,326.39	18,679.80
Public buildings.....	839.86	404.85
Roads and bridges.....	965.59	3,341.17
Contingent expenses.....	25,672.33	9,659.80
	<u>47,834.17</u>	<u>32,085.62</u>
Payments to municipalities.....	39,191.19	109,935.75
Exchanges and adjustments of currency.....	78,463.15	120,821.26
	<u>165,488.51</u>	<u>262,842.63</u>
Balance due province:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....	133.38	14.80
Cash balance, present treas- urer.....	15,786.81	29,700.88
	<u>15,920.19</u>	<u>29,715.68</u>
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....	883.99	9,162.07
Cash balance, present treas- urer.....	8,217.07	217.84
	<u>9,101.02</u>	<u>9,379.91</u>
	<u>25,021.21</u>	<u>39,095.59</u>
Total.....	190,509.72	301,938.22

THE PROVINCE OF CAPIZ.

[Organized April 15, 1901; office of treasurer consolidated with that of supervisor by Act No. 631, February 10, 1903.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P 6,905.58	P/s. 18,958.15
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	P 7,552.66	3,155.06
Land tax, municipal.....	9,927.69	4,206.62
Registry of property.....	7.24	17.28
Miscellaneous revenues.....	275.60	204.70
Congressional relief fund, sales of rice.....	14,231.73	14,019.53
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	P 14,174.52	6,714.61
Cedula.....	19,216.70	18,108.10
Stamp.....	964.88	367.48
Cart.....	—	42.60
Forestry prior to June 30, 1902.....	—	36.90
	34,356.10	25,269.69
Municipal taxes:	5,476.49	6,544.50
Receipts from insular treasury by warrant:		
S. No. 1629, (internal-revenue refund).....	3.76	
S. No. 1598, Act No. 527 (forestry refund).....	400.30	
S. No. 2020, Act No. 527 (forestry refund).....	429.71	
S. No. 2655, Act No. 527 (forestry refund).....	577.38	
S. No. 2024, Act No. 527 (forestry refund).....	316.38	
S. No. 1653, Act No. 805 (loan).....	15,000.00	
	16,727.53	
Transfer from treasurer, Romblon Province.....	.68	
Exchanges and adjustments of currency.....	9,325.05	
	97,680.77	53,417.38
Total.....	104,786.35	72,375.53
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	29,808.70	6,332.64
Public buildings.....	86.17	138.36
Roads and bridges.....	2,709.56	2,826.80
Contingent expenses.....	10,991.57	7,010.23
	43,596.00	16,308.03
Congressional relief fund, roads and bridges.....	15,515.98	12,140.97
Payments to municipalities.....	33,075.88	30,559.91
Loans to municipalities.....	43.42	400.00
Difference due to changes in ratio of exchange.....	222.10	
Exchanges and adjustments of currency.....	10,518.12	
	92,453.38	69,527.03
Balance due province:		
Unsettled differences, former treasurer.....	2,199.55	581.82
Unsettled differences, present treasurer.....	1,948.79	555.96
Cash balance, present treasurer.....	6,618.96	745.56
	10,767.30	1,883.34
Balance due municipalities:		
Unsettled differences, former treasurer.....	191.03	332.68
Unsettled differences, present treasurer.....	277.09	197.47
Cash balance, present treasurer.....	1,097.55	34.81
	1,565.67	565.16
	12,332.97	2,448.50
Total.....	104,786.35	72,375.53

THE PROVINCE OF CAVITE.

[Organized June 11, 1901.]

Character of item.	Philippines currency.		Local currency
DEBITS.			
Balance on hand July 1, 1903.....			P/s. 50,604.67
	Philippines currency.	Local currency.	
Collections:			
Land tax, provincial.....	P14,275.54	13,739.90	
Land tax, municipal.....	19,034.00	18,319.77	
Registry of property.....	113.06	53.50	
Miscellaneous revenues.....	2,864.70	629.22	
Congressional relief fund, sales of rice.....	10,326.15	14,276.97	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	P/s.
Industrial.....	P9,236.60	4,110.22	
Cedula.....	31,977.78	10,182.13	
Stamp.....	1,453.02	498.80	
Cart.....	36.00	6.00	
	42,703.40	14,797.15	
Municipal taxes.....	28,945.68	31,484.95	
Receipts from insular treasury by warrant:			
S. No. 1599, Act No. 527 (for-estry refund).....	226.08		
S. No. 2021, Act No. 527 (for-estry refund).....	408.68		
S. No. 2656, Act No. 527 (for-estry refund).....	295.01		
S. No. 2925, Act No. 527 (for-estry refund).....	92.65		
	1,022.42		
Difference due to changes in ratio of exchange.....		.72	
Exchanges and adjustments of currency.....	40,651.62	2,304.57	
	159,937.19		95,606.03
Total.....	181,061.49		146,300.70
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	28,068.09	5,734.63	
Public buildings.....	908.97	709.95	
Roads and bridges.....	12,116.02	16,412.53	
Contingent expenses.....	15,632.44	4,116.36	
	56,725.52	27,033.47	
Congressional relief fund:			
Roads and bridges.....	9,867.56	14,276.97	
Public buildings.....	458.59		
	10,326.15	14,276.97	
Payments to municipalities.....	86,983.54	56,863.33	
Difference due to changes in ratio of exchange.....		1.46	
Exchanges and adjustments of currency.....	2,095.06	46,509.47	
	156,130.27		144,684.70
Balance due province:			
Unsettled differences, former treasurer.....	668.60	1,616.00	
Unsettled differences, present treasurer.....	63.44		
Cash balance, present treasurer.....	22,005.70		
	22,737.74	1,616.00	
Balance due municipalities:			
Unsettled differences, present treasurer.....	27.00		
Cash balance, present treasurer.....	2,166.48		
	2,193.48		
	24,931.22		1,616.00
Total.....	181,061.49		146,300.70

THE PROVINCE OF CEBU.

[Organized April 18, 1901.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			P/s. 48,597.31
	Philippines currency.	Local currency. P/s.	
Collections:			
Land tax, provincial.....	P 28,351.27	28,742.37	
Land tax, municipal.....	37,769.55	38,388.02	
Registry of property.....	108.50	49.75	
Miscellaneous revenues.....	3.00		
Congressional relief fund, sales of rice.....	36,643.05	26,747.02	
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.	
Industrial.....	P 38,317.50	30,020.55	
Cedula.....	51,545.14	98,052.86	
Stamp.....	2,511.26	2,083.31	
Cart.....	1,049.84	767.31	
	93,423.74	130,924.03	
Municipal taxes.....	22,377.17	71,368.87	
Receipts from insular treasury by warrant:			
S. No. 1600, Act No. 527 (for- estry refund).....	137.87		
S. No. 2022, Act No. 527 (for- estry refund).....	391.72		
S. No. 2657, Act No. 527 (for- estry refund).....	763.71		
S. No. 2926, Act No. 527 (for- estry refund).....	228.20		
	1,521.50		
Repayments of loans by muni- cipalities.....	603.27	909.76	
Exchanges and adjustments of currency.....	80,850.19	83,415.59	
	301,651.24	380,545.41	
Total.....	321,178.82	429,142.72	
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	28,924.54	32,067.44	
Public buildings.....	246.83	1,801.70	
Roads and bridges.....	12,072.00	9,014.46	
Contingent expenses.....	40,136.55	16,770.26	
	81,379.92	59,653.86	
Congressional relief fund, roads and bridges.....	35,429.85	26,747.02	
Payments to municipalities.....	101,234.61	180,727.82	
Loans to municipalities.....		250.00	
Transferred to treasurer, Occi- dental Negros Province.....		13.00	
Transferred to treasurer, Bohol Province.....		.72	
Transferred to treasurer, Leyte Province.....		17.19	
Differences due to changes in ratio of exchange.....		15.10	
Exchanges and adjustments of cur- rency.....	75,594.00	91,874.67	
	293,638.38	359,299.38	
Balance due province:			
Unsettled differences, former treasurer.....	.80	6,706.21	
Unsettled differences, present treasurer.....	7,062.90	261.75	
Cash balance, present treas- urer.....	8,453.35	61,102.86	
	15,517.05	68,070.82	
Balance due municipalities:			
Unsettled differences, former treasurer.....	.78	8.20	
Unsettled differences, present treasurer.....	1,408.23	1,764.22	
Cash balance, present treas- urer.....	10,614.38	.10	
	12,023.39	1,772.52	
	27,540.44	69,843.34	
Total.....	321,178.82	429,142.72	

THE PROVINCE OF ILOCOS NORTE.

[Organized September 1, 1901.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			P/s.
	Philippines currency.	Local currency.	42,890.04
Collections:			
Land tax, provincial.....	₱20,399.58	15,198.29	
Land tax, municipal.....	27,199.34	20,264.26	
Registry of property.....	53.90	8.61	
Miscellaneous revenues.....	183.69	55.52	
Congressional relief fund, sales of rice.....	11,924.88	29,193.64	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	
Industrial.....	₱7,382.12	3,589.62	
Cedula.....	22,386.70	16,079.31	
Stamp.....	862.74	422.04	
Cart.....	42.30	136.73	
	30,673.86	20,227.70	
Municipal taxes.....	6,458.83	18,448.87	
Receipts from insular treasury by warrant:			
S. No. 1601, Act No. 527 (for- estry refund).....	1,326.28		
S. No. 2023, Act No. 527 (for- estry refund).....	970.62		
S. No. 2658, Act No. 527 (for- estry refund).....	608.93		
S. No. 2927, Act No. 527 (for- estry refund).....	250.07		
	3,155.90		
Exchanges and adjustments of currency.....	60,885.75	22,573.94	
Total.....	160,935.73	125,970.83	
	165,826.31	168,860.87	
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	31,001.93	6,120.13	
Public buildings.....	2,632.85	8,425.64	
Roads and bridges.....	16,536.54	7,415.98	
Contingent expenses.....	14,810.06	6,327.32	
	64,981.38	28,289.07	
Congressional relief fund:			
Roads and bridges.....	10,882.68	2,723.48	
Public buildings.....	1,963.79		
	12,846.47	2,723.48	
Payments to municipalities.....	42,124.78	53,727.18	
Loans to municipalities.....		563.95	
Exchanges and adjustments of currency.....	20,293.79	69,418.46	
Balance due province:			
Unsettled differences, former treasurer.....	64.60		
Unsettled differences, present treasurer.....	912.75	1.89	
Cash balance, present treas- urer.....	14,939.92	13,782.73	
	15,852.67	13,849.22	
Balance due municipalities:			
Unsettled differences, former treasurer.....			
Unsettled differences, present treasurer.....	.39		
Cash balance, present treas- urer.....	9,727.22	289.12	
	9,727.22	289.51	
	25,579.89	14,138.73	
Total.....	165,826.31	168,860.87	

THE PROVINCE OF ILOCOS SUR.

[Organized September 1, 1901.]

Character of item.	Philippines currency.	Local. currency.
DEBITS.		
Balance on hand July 1, 1903.....	P9,764.58	P/s. 37,477.96
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	P15,414.77	16,896.10
Land tax, municipal.....	20,520.79	22,401.82
Registry of property.....	79.76	19.01
Congressional relief fund, sales of rice.....	243.89	4,453.03
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	P13,809.32	10,915.53
Cedula.....	32,395.48	7,640.31
Stamp.....	514.97	356.76
Cart.....	8,526.86	5,330.38
	55,246.63	24,242.98
Municipal taxes.....	13,675.58	24,173.60
Receipts from insular treasury by warrant:		
S. No. 1602, Act No. 527 (for- estry refund).....	602.08	
S. No. 2024, Act No. 527 (for- estry refund).....	513.04	
S. No. 2659, Act No. 527 (for- estry refund).....	364.11	
S. No. 2928, Act No. 527 (for- estry refund).....	199.02	
S. No. 2197, Act No. 1006 (loan).....	3,000.00	
S. No. 3011, Act No. 1076 (loan).....	20,000.00	
	24,678.25	
Exchanges and adjustments of currency.....	49,858.31	46,128.84
	176,717.98	138,315.38
Total.....	189,482.56	175,793.34
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	26,610.73	7,966.42
Public buildings.....	1,850.87	8,907.19
Roads and bridges.....	16,043.86	21,199.76
Contingent expenses.....	12,368.58	8,455.86
	56,874.04	46,529.23
Congressional relief fund, roads and bridges.....	3,699.00	23.48
Repayment of loan to insular treasury.....	3,000.00	
Transferred to treasurer, Abra Province.....		.69
Payments to municipalities.....	60,626.86	60,327.15
Differences due to changes in ratio of exchange.....	2,291.56	
Exchanges and adjustments of currency.....	41,793.56	55,592.30
	168,285.71	162,472.16
Balance due province:		
Unsettled differences, former treasurer.....	292.55	10.98
Unsettled differences, present treasurer.....	587.41	122.98
Cash balance, present treas- urer.....	18,228.38	13,058.69
	19,108.34	13,192.65
Balance due municipalities:		
Unsettled differences, former treasurer.....	2.42	5.05
Unsettled differences, present treasurer.....	265.55	
Cash balance, present treas- urer.....	1,820.54	123.48
	2,088.51	128.53
	21,196.85	13,321.18
Total.....	189,482.56	175,793.34

THE PROVINCE OF ILOILO.

[Organized April 11, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P33,264.50	P/s. 23,485.08
Collections:	Philippines currency.	Local currency.
Land tax, provincial.....	P34,146.05	P/s. 25,337.29
Land tax, municipal.....	25,899.15	25,151.69
Registry of property.....	127.59	292.42
Miscellaneous revenues.....	97.82	2,417.03
Congressional relief fund, sales of rice.....	26,916.31	31,619.29
Joint provincial and municipal taxes:	Philippines currency.	Local currency.
Industrial.....	P44,781.90	P/s. 26,854.43
Cedula.....	51,713.42	58,311.26
Stamp.....	6,398.25	7,127.48
Cart.....	519.88	1,619.41
Municipal taxes.....	175,413.46	184,167.21
Receipts from insular treasury by warrant:		
S. No. 1603, Act No. 527 (for- estry refund).....	2,199.45	
S. No. 2625, Act No. 527 (for- estry refund).....	3,741.48	
S. No. 2660, Act No. 527 (for- estry refund).....	4,028.19	
S. No. 2929, Act No. 527 (for- estry refund).....	1,719.37	
	11,688.49	
Exchanges and adjustments of currency.....	121,087.80	85,827.02
Total.....	351,552.30	344,898.21
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	31,376.48	30,858.07
Public buildings.....	744.71	757.50
Roads and bridges.....	27,962.83	10,618.47
Contingent expenses.....	39,556.02	9,734.46
	99,040.04	51,968.50
Congressional relief fund:		
Roads and bridges.....	26,916.31	31,619.29
Payments to municipalities.....	124,665.94	130,486.83
Differences due to changes in ratio of exchange.....	974.70	
Forestry taxes refunded to munic- ipalities.....	242.33	
Exchanges and adjustments of currency.....	76,357.43	135,276.57
	328,196.75	349,351.19
Balance due province:		
Unsettled differences, former treasurer.....	703.83	5,708.70
Unsettled differences, present treasurer.....	5,238.81	1,614.50
Cash balance, present treas- urer.....	43,525.12	9,684.98
	49,467.76	17,008.18
Balance due municipalities:		
Unsettled differences, former treasurer.....	1.47	
Unsettled differences, former treasurer (credit).....	81.90	
Unsettled differences, present treasurer.....	330.04	2,096.77
Cash balance, present treas- urer.....	6,820.78	
	7,182.29	2,014.87
	56,620.05	19,023.05
Total.....	384,816.80	368,374.24

THE PROVINCE OF ISABELA.

[Organized September 10, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱10,516.78	P/s. 11,684.95
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	₱4,030.28	30,747.01
Land tax, municipal.....	5,373.74	40,996.02
Registry of property.....	13.75	9.35
Miscellaneous revenues.....	417.21	166.62
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	₱7,907.61	19,561.49
Cedula.....	9,240.00	9,563.24
Stamp.....	82.20	339.25
Cart.....	526.10	1,098.27
	17,755.91	30,562.25
Municipal taxes.....	1,484.74	12,524.19
Receipts from insular treasury by warrant:		
S. No. 1630 (internal-revenue refund).....	71.73	
S. No. 1604, Act No. 527 (for- estry refund).....	805.94	
S. No. 2026, Act No. 527 (for- estry refund).....	805.99	
S. No. 2621, Act No. 527 (for- estry refund).....	1,552.56	
S. No. 2930, Act No. 527 (for- estry refund).....	359.46	
	3,595.68	
Exchanges and adjustments of currency.....	41,005.80	8,704.67
	73,677.11	123,710.11
Total.....	84,193.89	135,395.06
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	16,191.55	15,108.82
Public buildings.....	4.40	151.70
Roads and bridges.....	3,579.73	819.42
Contingent expenses.....	5,928.82	2,494.29
	25,704.50	18,574.23
Repayment of loan to insular gov- ernment.....		5,750.00
Payments to municipalities.....	10,147.01	42,751.06
Differences due to changes in ratio of exchange.....	319.86	
Exchanges and adjustments of currency.....	7,908.49	45,991.02
	44,079.86	113,066.31
Balance due to province:		
Unsettled differences, former treasurer.....	908.28	
Unsettled differences, present treasurer.....	39.00	
Cash balance, present treas- urer.....	14,672.04	13,575.77
	15,580.32	3,614.77
Balance due municipalities:		
Unsettled differences, former treasurer.....	635.46	
Unsettled differences, present treasurer.....		
Cash balance, present treas- urer.....	23,898.25	8,713.98
	24,533.71	8,713.98
	40,114.03	22,328.75
Total.....	84,193.89	135,395.06

THE PROVINCE OF ILOILO.

[Organized April 11, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱33,264.50	P/s. 23,485.08
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	₱34,146.05	25,337.29
Land tax, municipal.....	25,899.15	25,151.69
Registry of property.....	127.59	292.42
Miscellaneous revenues.....	97.82	2,417.03
Congressional relief fund, sales of rice.....	26,916.31	31,619.29
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	₱44,781.90	26,954.23
Cedula.....	51,713.42	58,311.69
Stamp.....	6,398.25	7,284.83
Cart.....	519.88	1,626.51
Municipal taxes.....	103,413.45	94,177.26
Receipts from insular treasury by warrant:	28,175.64	80,067.21
S. No. 1603, Act No. 527 (for- estry refund).....	2,199.45	
S. No. 2025, Act No. 527 (for- estry refund).....	3,741.48	
S. No. 2660, Act No. 527 (for- estry refund).....	4,028.19	
S. No. 2929, Act No. 527 (for- estry refund).....	1,719.37	
Exchanges and adjustments of currency.....	121,087.80	85,827.02
Total.....	351,552.30	344,890.21
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	31,376.48	30,858.07
Public buildings.....	744.71	757.50
Roads and bridges.....	27,362.83	10,618.47
Contingent expenses.....	39,556.02	9,734.46
Congressional relief fund:	99,040.04	51,968.50
Roads and bridges.....	26,916.31	31,619.29
Payments to municipalities.....	124,665.94	130,486.83
Differences due to changes in ratio of exchange.....	974.70	
Forestry taxes refunded to munic- ipalities.....	242.33	
Exchanges and adjustments of currency.....	76,357.43	135,276.57
Balance due province:	328,196.75	349,351.19
Unsettled differences, former treasurer.....	703.83	5,708.70
Unsettled differences, present treasurer.....	5,238.81	1,614.50
Cash balance, present treas- urer.....	43,525.12	9,684.98
Balance due municipalities:	49,467.76	17,008.18
Unsettled differences, former treasurer.....	1.47	
Unsettled differences, former treasurer (credit).....	81.90	
Unsettled differences, present treasurer.....	330.04	2,096.77
Cash balance, present treas- urer.....	6,820.78	
Exchanges and adjustments of currency.....	7,152.29	2,014.87
Total.....	56,620.05	19,023.05
Total.....	384,816.80	368,374.24

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THE PROVINCE OF ISABELA.

[Organized September 10, 1901.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			P/s. 11,684.95
	Philippines currency.	Local currency. P/s.	
Collections:			
Land tax, provincial.....	P4,030.28	30,747.01	
Land tax, municipal.....	5,373.74	40,996.02	
Registry of property.....	13.75	9.35	
Miscellaneous revenues.....	417.21	166.62	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency. P/s.	
Industrial.....	P7,907.61	19,561.49	
Cedula.....	9,240.00	9,563.24	
Stamp.....	82.20	339.25	
Cart.....	526.10	1,098.27	
	17,755.91	30,562.25	
Municipal taxes.....	1,484.74	12,524.19	
Receipts from insular treasury by warrant:			
S. No. 1630 (internal-revenue refund).....	71.73		
S. No. 1604, Act No. 527 (for- estry refund).....	805.94		
S. No. 2026, Act No. 527 (for- estry refund).....	805.99		
S. No. 2621, Act No. 527 (for- estry refund).....	1,552.56		
S. No. 2930, Act No. 527 (for- estry refund).....	359.46		
	3,505.68		
Exchanges and adjustments of currency.....	41,005.80	8,704.67	
	73,677.11		123,710.11
Total.....	84,193.89		135,395.06
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	16,191.55	15,108.82	
Public buildings.....	4.40	151.70	
Roads and bridges.....	3,579.73	819.42	
Contingent expenses.....	5,928.82	2,494.29	
	25,704.50	18,574.23	
Repayment of loan to insular gov- ernment.....		5,750.00	
Payments to municipalities.....	10,147.01	42,751.06	
Differences due to changes in ratio of exchange.....	319.86		
Exchanges and adjustments of currency.....	7,908.49	45,991.02	
	44,079.86		113,066.31
Balance due to province:			
Unsettled differences, former treasurer.....	908.28		
Unsettled differences, present treasurer.....	39.00		
Cash balance, present treas- urer.....	14,672.04	13,575.77	
	15,580.32	3,614.77	
Balance due municipalities:			
Unsettled differences, former treasurer.....	635.46		
Unsettled differences, present treasurer.....			
Cash balance, present treas- urer.....	23,898.25	8,713.98	
	24,533.71	8,713.98	
	40,114.03		22,328.75
Total.....	84,193.89		135,395.06

THE PROVINCE OF LA LAGUNA.

[Organized July 1, 1902.]

Character of item.	Philippine currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱148.70	P/s. 22,171.03
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	₱37,500.54	20,331.47
Land tax, municipal.....	50,000.72	27,108.62
Registry of property.....	203.70	298.56
Miscellaneous revenues.....	209.50	312.91
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	₱12,883.73	27,976.27
Cedula.....	17,917.31	21,849.75
Stamp.....	339.49	682.23
Cart.....	378.00	137.11
	31,518.53	50,645.36
Municipal taxes.....	9,764.82	47,630.08
Receipts from insular treasury by warrant:		
S. No. 1605, Act No. 527 (for- estry refund).....	604.81	
S. No. 2034, Act No. 527 (for- estry refund).....	1,021.01	
S. No. 2662, Act No. 527 (for- estry refund).....	1,128.89	
S. No. 2931, Act No. 527 (for- estry refund).....	505.26	
S. No. 2252, Act No. 1036 (loan)	20,000.00	
	23,319.97	
Exchanges and adjustments of currency.....	81,314.17	27,505.40
Total.....	233,831.95	173,832.40
	233,980.65	196,003.43
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	23,891.71	17,646.87
Public buildings.....	178.60	49.23
Roads and bridges.....	548.59	1,874.90
Contingent expenses.....	17,074.67	9,310.54
	41,693.57	28,881.54
Payments to municipalities.....	107,704.95	69,640.41
Loans to municipalities.....		145.00
Repayment of loan.....	20,000.00	
Exchanges and adjustments of currency.....	24,422.26	90,753.16
Balance due province:		193,820.78
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....	510.32	
Cash balance, present treas- urer.....	39,298.01	6,568.19
	39,808.33	6,568.19
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....		
Cash balance, present treas- urer.....	351.54	15.13
	351.54	15.13
	40,159.87	6,583.32
Total.....	233,980.65	196,003.43

THE PROVINCE OF LEPANTO-BONTOC.

[Organized May 28, 1902.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱ 334.26	P/s. 13,894.34
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....		
Land tax, municipal.....	₱ 337.89	776.17
Registry of property.....		2.30
Miscellaneous revenues.....	152.00	
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	₱ 229.70	198.53
Cedula.....		
Stamp.....	10.63	10.46
Cart.....		
	240.33	208.99
Municipal taxes.....	3,750.30	7,613.90
Receipts from insular treasury by warrant:		
S. No. 1606, Act No. 527 (for- estry refund).....	5.42	
S. No. 1651, Act No. 807 (gen- eral expenses).....	13,000.00	
S. No. 2125, Act No. 807 (gen- eral expenses).....	13,800.00	
S. No. 2626, Act No. 807 (gen- eral expenses).....	13,500.00	
	40,305.42	
Exchanges and adjustments of currency.....	2,558.68	2,858.48
Total.....	47,344.62	11,459.84
	47,678.88	25,354.18
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	12,749.54	10,137.29
Public buildings.....	352.67	14.00
Roads and bridges.....	9,414.51	1,160.00
Contingent expenses.....	6,769.64	2,483.10
	29,286.36	13,794.39
Payments to municipalities.....	4,852.40	5,836.23
Exchanges and adjustments of currency.....	2,558.68	2,858.48
	36,697.44	22,489.10
Balance due province:		
Unsettled differences, former treasurer.....	88.50	6.60
Unsettled differences, present treasurer.....	969.93	
Unsettled differences, present treasurer (credit).....		.30
Cash balance, present treas- urer.....	8,153.55	2,858.78
	9,211.98	2,865.08
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....	925.75	
Cash balance, present treas- urer.....	843.71	
	1,769.46	
	10,981.44	2,865.08
Total.....	47,678.88	25,354.18

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THE PROVINCE OF LEYTE.

[Organized April 22, 1901.]

Character of item.				Philippines currency.	Local currency.
DEBITS.					
Balance on hand July 1, 1903.				₱19,594.44	P/s. 49,386.01
Collections:					
Land tax, provincial.		Philippines currency.	Local currency. P/s.	₱21,734.24	19,311.59
Land tax, municipal.				28,978.83	25,748.84
Registry of property.				43.63	275.71
Miscellaneous revenues.				57.12	
Joint provincial and municipal taxes:					
		Philippines currency.	Local currency. P/s.		
Industrial.		₱81,350.66	34,123.27		
Cedula.		74,903.00	25,719.32		
Stamp.		1,584.82	542.31		
Cart.		998.44	391.00		
Municipal taxes.				158,836.92	60,775.90
Receipts from insular treasury by warrant:				24,676.72	31,294.21
S. No. 2347 (internal-revenue refund)	4.73				
S. No. 1607, Act No. 527 (for- estry refund)	657.12				
S. No. 2027, Act No. 527 (for- estry refund)	2,701.87				
S. No. 2663, Act No. 527 (for- estry refund)	1,396.90				
S. No. 2932, Act No. 527 (for- estry refund)	983.89				
				5,744.51	
Transferred by treasurer, Cebu Province.					17.19
Exchanges and adjustments of currencies.				54,331.86	7,094.37
Total.				294,403.83	144,517.81
CREDITS.				243,998.27	193,903.82
Expenditures, provincial:					
Salaries and wages.	38,417.61	5,565.52			
Public buildings.	2,809.59	30.00			
Roads and bridges.	61,824.51	15,303.12			
Contingent expenses.	29,192.28	10,741.85			
				132,243.99	31,640.49
Payments to municipalities.				109,485.88	95,132.46
Exchanges and adjustments of currency.				6,377.30	62,304.12
Balance due province:					
Unsettled differences, former treasurer.	1,633.36				
Unsettled differences, present treasurer.	10,649.84				
Cash balance, present treas- urer.	24,864.40	4,826.75			
				37,147.60	4,826.75
Balance due municipalities:					
Unsettled differences, former treasurer.	.48				
Unsettled differences, present treasurer.	6,814.95				
Cash balance, present treas- urer.	21,928.07				
				28,743.50	
Total.				65,891.10	4,826.75
				313,998.27	193,903.82

THE PROVINCE OF MARINDUQUE.

[Organized May 1, 1901; island of Mindoro added June 23, 1902; abolished as separate province; island of Marinduque attached to Tayabas Province, and island of Mindoro organized into separate province November 10, 1902.]

Character of Item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P 170.00	P/s. 62.24
Exchanges and adjustments of currency.....	47.88	.....
Total.....	217.88	62.24
CREDITS.		
	Philippines currency.	Local currency. P/s.
Deposit in insular treasury.....	P 47.88	.....
Transfer to treasurer, Tayabas Province.....	120.00	.....
Exchanges and adjustments of currency.....	.....	62.24
	167.88	62.24
Balance due province:		
Unsettled differences, former treasurer.....	50.00	.....
Total.....	217.88	62.24

THE PROVINCE OF MASBATE.

[Organized March 18, 1901; office of treasurer consolidated with that of supervisor by Act No. 1040, February 24, 1904.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱2,348.70	P/s. 6,399.48
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	₱1,163.54	626.54
Land tax, municipal.....	2,293.40	1,299.08
Registry of property.....	106.00	19.18
Miscellaneous revenues.....	40.00	
Congressional relief fund, sales of rice.....	2,598.58	1,673.52
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	₱7,422.78	3,959.32
Cedula.....	5,079.50	1,021.63
Stamp.....	110.15	72.42
Cart.....	15.00	
Municipal taxes.....	12,627.43	5,053.37
Receipts from insular treasury by warrant:	835.76	1,148.57
S. No. 1608, Act No. 527 (for- estry refund).....	4,300.48	
S. No. 2028, Act No. 527 (for- estry refund).....	3,607.53	
S. No. 2664, Act No. 527 (for- estry refund).....	5,340.44	
S. No. 2933, Act No. 527 (for- estry refund).....	2,172.72	
Exchanges and adjustments of currency.....	15,421.17	
	884.41	1,757.80
Total.....	35,970.29	11,578.06
	38,318.99	17,977.54
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	5,229.43	5,173.02
Public buildings.....	13.05	
Roads and bridges.....	714.03	
Contingent expenses.....	2,908.21	2,126.90
Congressional relief fund, roads and bridges.....	8,864.72	7,299.92
Payments to municipalities.....	17.70	101.95
Differences due to changes in ratio of exchange.....	10,000.51	6,820.20
Exchanges and adjustments of currency.....	22.96	
	1,539.09	1,017.08
Balance due province:	20,444.98	15,239.15
Unsettled differences, former treasurers.....	3,400.65	876.33
Unsettled differences, present treasurer.....	6,868.97	1,251.78
Cash balance, present treas- urer.....	10,269.62	2,128.11
Balance due municipalities:		
Unsettled differences, former treasurers.....	3,420.95	452.92
Unsettled differences, present treasurer.....	4,183.44	157.36
Cash balance, present treas- urer.....	7,604.39	610.28
	17,874.01	2,738.39
Total.....	38,318.99	17,977.54

THE PROVINCE OF MINDORO.

[Organized November 10, 1902.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....	Philippines currency.	Local currency.	P/s.
	₱4,569.56		22,597.61
Collections:			
Land tax, provincial.....			
Land tax, municipal.....			
Registry of property.....	₱0.50		
Miscellaneous revenues.....	3,560.35	108.66	
Congressional relief fund, sales of rice.....	13,868.77	7,951.02	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	P/s.
Industrial.....	₱5,078.91	1,504.16	
Stamp.....	1,407.11	1,981.42	
	6,486.02	3,485.58	
Municipal taxes.....	9,994.15	12,362.75	
Receipts from insular treasury by warrant:			
S. No. 1609, Act 527 (forestry refund).....	1,896.85		
S. No. 2029, Act 527 (forestry refund).....	2,399.94		
S. No. 2665, Act 527 (forestry refund).....	3,126.43		
S. No. 2934, Act 527 (forestry refund).....	1,801.24		
S. No. 1696, Act 821 (general expenses).....	8,782.00		
S. No. 1786, Act 821 (general expenses).....	8,782.00		
S. No. 2444, Act 821 (general expenses).....	6,000.00		
S. No. 2798, Act 821 (general expenses).....	6,000.00		
	38,788.46		
Exchanges and adjustments of currency.....	2,781.59	4,344.02	
	75,479.84		28,252.03
Total.	80,049.40		50,839.64
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	27,874.66	4,249.66	
Public buildings.....	262.75	4,636.85	
Roads and bridges.....	501.00	6,085.48	
Contingent expenses.....	12,474.59	2,698.46	
Construction of telegraph lines.....	156.00	2,173.76	
	41,269.00	19,844.21	
Congressional relief fund:			
Roads and bridges.....	656.00	5,739.50	
Public buildings.....	3,284.44	168.98	
Contingent expenses.....	52.50		
Construction of telegraph lines.....	857.10	745.00	
	4,850.04	6,653.48	
Payments to municipalities.....	13,295.76	14,998.12	
Loans to municipalities.....	1,000.00		
Exchanges and adjustments of currency.....	3,834.99	3,243.83	
	64,249.79		44,739.64
Balance due province:			
Unsettled differences, former treasurer.....	1,042.59		
Unsettled differences, former treasurer (credit).....		12.45	
Unsettled differences, present treasurer.....	3,474.06		
Cash balance, present treasurer.....	6,543.36	5,273.27	
	11,060.01	5,280.82	
Balance due municipalities:			
Unsettled differences, former treasurer.....	383.69	204.57	
Unsettled differences, present treasurer.....	364.40	48.87	
Cash balance, present treasurer.....	3,991.51	585.74	
	4,739.60	839.18	
	15,799.61		6,100.00
Total.	80,049.40		50,839.64

THE PROVINCE OF MISAMIS.

[Organized May 15, 1901: office of treasurer consolidated with that of supervisor by Act No. 630, February 10, 1903.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱2,940.84	P/s. 15,882.74
Collections:	Philippines	Local
	currency.	currency.
		P/s.
Land tax, provincial.....	₱1,220.41	11,482.42
Land tax, municipal.....	1,460.71	13,780.07
Registry of property.....	33.20	13.80
Miscellaneous revenues.....	110.16	176.20
Congressional relief fund, sales of rice.....	12,886.81	4,266.99
Joint provincial and municipal taxes:		
	Philippines	Local
	currency.	currency.
		P/s.
Industrial.....	₱10,521.12	26,172.15
Cedula.....	7,032.00	35,432.40
Stamp.....	79.18	542.65
Cart.....	3,216.88	7,664.30
	20,849.18	69,811.50
Municipal taxes.....	5,206.74	13,152.42
Receipts from insular treasury by warrant:		
S. No. 2345 (internal-revenue refund).....	128.55	
S. No. 1610, Act 527 (forestry refund).....	314.35	
S. No. 2030, Act 527 (forestry refund).....	375.31	
S. No. 2666, Act 527 (forestry refund).....	455.72	
S. No. 2935, Act 527 (forestry refund).....	384.96	
S. No. 1872, Act 900 (loan).....	5,000.00	
	6,658.89	
Repayment of loans by municipalities.....	500.00	1,000.00
Exchanges and adjustments of currency.....	48,300.23	15,223.60
	97,226.33	128,907.00
Total.....	100,167.17	144,789.74
CREDITS		
Expenditures, provincial:		
Salaries and wages.....	12,260.13	18,174.13
Public buildings.....	747.75	86.50
Roads and bridges.....	1,932.84	1,228.55
Contingent expenses.....	13,879.52	12,029.81
	28,820.24	31,518.99
Congressional relief fund, roads and bridges.....	12,886.81	4,266.99
Payments to municipalities.....	33,818.73	44,834.69
Loans to municipalities.....		1,000.00
Transferred to district treasurer of Lanao, Moro Province.....	2,419.25	
Exchanges and adjustments of currency.....	12,055.05	46,409.51
	90,000.08	128,030.18
Balance due province:		
Unsettled differences, former treasurers.....	61.04	185.59
Unsettled differences, present treasurer.....	240.00	
Cash balance, present treasurer.....	7,721.84	7,525.89
	8,022.88	7,711.48
Balance due municipalities:		
Unsettled differences, former treasurers.....		
Unsettled differences, present treasurer.....		
Cash balance, present treasurer.....	2,144.21	9,048.08
	2,144.21	9,048.08
	10,167.09	16,759.56
Total.....	100,167.17	144,789.74

THE PROVINCE OF NUEVA ECIJA.

[Organized June 11, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P5,675.62	P/s. 18,845.04
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	P13,726.85	6,800.34
Land tax, municipal.....	13,526.71	6,359.66
Registry of property.....	45.38	49.99
Miscellaneous revenues.....	74.26	107.99
Congressional relief fund, sales of rice.....	22,664.76	
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	P6,650.33	3,652.38
Cedula.....	26,738.20	4,985.16
Stamp.....	122.97	167.75
Cart.....	2,383.51	1,146.25
	35,895.01	10,251.54
Municipal taxes.....	1,422.76	713.43
Receipts from insular treasury by warrant:		
S. No. 1611, Act 527 (forestry refund).....	1,487.23	
S. No. 2031, Act 527 (forestry refund).....	1,211.85	
S. No. 2668, Act 527 (forestry refund).....	1,641.27	
S. No. 2937, Act 527 (forestry refund).....	782.19	
S. No. 1923, Act 919 (loan).....	15,000.00	
	20,122.54	
Exchanges and adjustments of currency.....	38,183.80	27,218.59
Total.....	145,662.07	51,561.54
	151,337.69	70,406.58
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	22,167.75	2,358.18
Public buildings.....	3,191.44	51.45
Roads and bridges.....	13,358.33	3,846.02
Contingent expenses.....	18,299.20	5,938.21
	57,016.72	12,193.86
Congressional relief fund, roads and bridges.....	19,032.13	
Payments to municipalities.....	34,541.49	14,608.75
Exchanges and adjustments of currency.....	24,113.82	43,440.16
Balance due province:		
Unsettled differences, former treasurer.....	30.02	
Unsettled differences, present treasurer.....	319.70	
Unsettled differences, present treasurer (credit).....	250.00	
Cash balance, present treas- urer.....	15,188.59	413.81
	15,538.31	163.81
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....		
Cash balance, present treas- urer.....	1,095.22	
	1,095.22	
Total.....	16,633.53	163.81
Total.....	151,337.69	70,406.58

REPORT OF THE PHILIPPINE COMMISSION.

THE PROVINCE OF NUEVA VIZCAYA.

[Organized January 28, 1902.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....		P/s. 10,925.87
	Philippines currency.	Local currency. P/s.
Collections:		
Land tax, municipal.....	₱3,504.28	4,675.98
Joint provincial and municipal taxes:		
Philippines currency.	Local currency. P/s.	
Industrial.....	₱696.72	216.13
Stamp.....	40.38	68.66
	737.10	284.79
Municipal taxes.....	8,784.41	3,371.75
Receipts from insular treasury by warrant:		
S. No. 1830, Act 807 (general expenses).....	8,500.00	
S. No. 2199, Act 807 (general expenses).....	8,500.00	
S. No. 2557, Act 807 (general expenses).....	4,750.00	
S. No. 2198 (construction of provincial buildings).....	5,000.00	
	26,750.00	
Exchanges and adjustments of currency.....	10,048.27	12,064.54
	₱49,914.06	20,397.06
Total.....	49,914.06	31,322.93
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	8,316.46	7,686.13
Public buildings.....	1,212.05	
Roads and bridges.....	3,434.20	
Contingent expenses.....	5,638.89	2,252.08
	18,601.60	9,938.21
Payments to municipalities.....	8,765.43	9,071.30
Exchanges and adjustments of currency.....	10,695.18	11,339.64
	38,062.21	30,349.15
Balance due province:		
Unsettled differences, former treasurer.....	35.00	
Unsettled differences, present treasurer.....	984.07	
Cash balance, present treas- urer.....	6,885.98	739.31
	7,870.05	774.31
Balance due municipalities:		
Unsettled differences, former treasurer.....	.38	
Unsettled differences, present treasurer.....	1,827.04	90.45
Cash balance, present treas- urer.....	2,154.76	108.64
	3,981.80	199.47
	11,851.85	973.78
Total.....	49,914.06	31,322.93

THE PROVINCE OF OCCIDENTAL NEGROS

[Organized May 1, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS		
Balance on hand July 1, 1903.....	₱86,742.88	P/s. 51,830.62
	Philippines currency.	Local currency. P/s.
Collections:		
Land tax, provincial.....	₱21,217.30	20,198.99
Land tax, municipal.....	23,841.05	21,481.79
Registry of property.....	535.73	534.89
Miscellaneous revenues.....	1,475.58	22,398.23
Congressional relief fund, sales of rice.....	13,889.28	19,005.39

THE PROVINCE OF OCCIDENTAL NEGROS—Continued.

Character of item.	Philippines currency.	Local currency.
DEBITS—continued.		
Joint provincial and municipal taxes:		
Philippines Local Philippines Local currency. currency. currency. currency. P/s. P/s.		
Industrial.....	₱12,982.20	13,971.96
Cedula.....	34,462.21	20,467.40
Stamp.....	546.78	1,496.08
Cart.....	824.85	516.44
	₱48,816.04	36,451.88
Municipal taxes.....	8,523.35	24,737.33
Receipts from insular treasury by warrant:		
S. No. 1612, Act 527 (forestry refund).....	1,843.24	
S. No. 2032, Act 527 (forestry refund).....	3,383.42	
S. No. 2669, Act 527 (forestry refund).....	3,819.23	
S. No. 2938, Act 527 (forestry refund).....	3,098.80	
S. No. 2585, Act 799 (advance to province).....	2,625.02	
S. No. 2704 (loan).....	20,000.00	
	34,769.71	
Repayment of loans by munici- palities.....	1,196.47	1,562.95
Transferred to treasurer, Cebu Province.....		13.00
Difference due to changes in ratio of exchange.....	1.50	
Exchanges and adjustments of currency.....	24,216.29	1,826.43
	₱178,482.30	P/s. 148,210.88
Total.....	265,225.18	200,041.50
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	29,877.23	36,148.94
Public buildings.....	1,008.65	2,540.94
Roads and bridges.....	7,186.94	16,589.74
Contingent expenses.....	17,454.62	38,578.01
	55,527.44	93,857.63
Congressional relief fund:		
Roads and bridges.....	13,503.75	15,549.27
Public buildings.....	889.72	80.06
Contingent expenses.....	277.13	1,987.96
	14,670.60	17,617.29
Payments to municipalities.....	112,948.55	47,972.47
Loans to municipalities.....	4,265.10	
Differences due to changes in ratio of exchange.....	17.64	
Exchanges and adjustments of currency.....	1,654.42	26,683.25
	189,083.75	186,130.64
Balance due province:		
Unsettled differences, former treasurer.....	3.82	1,055.55
Unsettled differences, present treasurer.....	1,823.57	
Unsettled differences, present treasurer (credit).....		11,143.41
Cash balance, former treas- urer.....	372.32	2,829.17
Cash balance, present treas- urer.....	42,443.50	2,071.24
	44,643.30	a 5,187.45
Balance due municipalities:		
Unsettled differences, former treasurer.....	2,666.60	
Unsettled differences, present treasurer.....	8,473.74	15,195.33
Cash balance, former treas- urer.....		464.37
Cash balance, present treas- urer.....	20,357.79	3,438.61
	31,498.13	19,098.31
	76,141.43	13,910.86
Total.....	265,225.18	200,041.50

a Credit.

THE PROVINCE OF ORIENTAL NEGROS.

[Organized May 1, 1901. Office of treasurer consolidated with that of supervisor by Act 766, May 26, 1903.]

Character of item.	Philippines currency.	Local currency.	Philippines currency.	Local currency.
DEBITS.				
Balance on hand July 1, 1903.....			₱5,624.60	P/s. 19,165.77
Collections:				
Land tax, provincial.....	₱7,178.04	18,101.14		
Land tax, municipal.....	8,991.26	23,501.16		
Registry of property.....	162.25			
Miscellaneous revenues.....	119.77	172.11		
Congressional relief fund, sales of rice.....	11,704.70	31,720.32		
Joint provincial and municipal taxes:				
Philippines currency.				
Local currency.				
Industrial.....	₱9,090.11	6,140.27		
Cedula.....	16,650.00	27,748.05		
Stamp.....	420.57	531.11		
Cart.....	85.00	279.42		
	26,245.68	34,698.85		
Municipal taxes.....	1,052.94	8,857.20		
Receipts from insular treasury by warrant:				
S. No. 1613, Act 527 (forestry refund).....	155.87			
S. No. 2033, Act 527 (forestry refund).....	1,118.74			
S. No. 2670, Act 527 (forestry refund).....	804.04			
S. No. 2939, Act 527 (forestry refund).....	435.41			
	2,514.06			
Exchanges and adjustments of currency.....	91,008.60	28,200.83		
	148,977.30	145,251.61		
Total.....	154,601.90	164,417.38		
CREDITS				
Expenditures, provincial:				
Salaries and wages.....	20,924.52	3,725.76		
Public buildings.....	328.36	706.85		
Roads and bridges.....	2,441.40	3,734.16		
Contingent expenses.....	7,159.92	7,563.34		
	30,854.20	15,730.11		
Congressional relief fund:				
Public buildings.....	2,647.24	87.75		
Contingent expenses.....		212.46		
	2,647.24	300.21		
Payments to municipalities.....	30,891.17	32,124.43		
Differences due to changes in ratio of exchange.....	1,438.22			
Exchanges and adjustments of currency.....	25,102.11	102,761.92		
	90,932.94	150,916.67		
Balance due province:				
Unsettled differences, former treasurer.....	402.02	67.00		
Unsettled differences, present treasurer.....	102.00			
Cash balance, present treasurer.....	56,871.69	8,791.74		
	57,375.71	8,858.74		
Balance due municipalities:				
Unsettled differences, former treasurer.....	891.80			
Unsettled differences, present treasurer.....	2,016.10	590.59		
Cash balance, present treasurer.....	3,385.35	4,051.38		
	6,293.25	4,641.97		
	63,668.96	13,500.71		
Total.....	154,601.90	164,417.38		

THE PROVINCE OF PAMPANGA.

[Organized February 13, 1901.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			P/s. 109,772.97
	Philippines currency.	Local currency.	
Collections:			P/s.
Land tax, provincial.....	P37,696.91	7,692.41	
Land tax, municipal.....	46,194.16	9,484.82	
Registry of property.....		240.54	62.31
Congressional relief fund, sales of rice.....	2,336.29	26,884.85	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	P/s.
Industrial.....	P22,404.06	14,192.35	
Cedula.....	21,132.32	9,210.46	
Stamp.....	251.91	244.80	
Cart.....	23.15	671.60	
	43,811.46	24,319.21	
Municipal taxes.....	12,566.57	18,783.32	
Receipts from insular treasury by warrant:			
S. No. 1614, Act 527 (forestry refund).....	1,843.35		
S. No. 2035, Act 527 (forestry refund).....	2,482.37		
S. No. 2671, Act 527 (forestry refund).....	2,728.34		
S. No. 2940, Act 527 (forestry refund).....	1,520.47		
	8,574.53		
Exchanges and adjustment of currency.....	75,469.64	66,389.28	
	226,890.10		153,616.20
Total.....	286,087.52		263,389.17
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	20,422.94	22,305.87	
Public buildings.....	1,102.82	2,437.87	
Roads and bridges.....	11,206.76	18,346.38	
Contingent expenses.....	29,874.90	9,887.03	
	62,607.42	52,977.15	
Congressional relief fund:			
Roads and bridges.....	4,910.85	23,828.50	
Payments to municipalities.....	57,668.09	88,716.07	
Exchanges and adjustments of currency.....	57,933.58	86,571.29	
	183,119.94		252,093.01
Balance due province:			
Unsettled differences, former treasurer.....	.50		
Unsettled differences, present treasurer.....	187.51		
Cash balance, present treasurer.....	64,408.57	7,623.61	
	64,596.58	7,623.61	
Balance due municipalities:			
Unsettled differences, former treasurer.....			
Unsettled differences, present treasurer.....			
Cash balance, present treasurer.....	38,371.00	3,672.55	
	38,371.00	3,672.55	
	102,967.58		11,296.16
Total.....	286,087.52		263,389.17

REPORT OF THE PHILIPPINE COMMISSION.

THE PROVINCE OF PANGASINAN.

[Organized February 16, 1901.]

[Organized February 10, 1904]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....	Philippines currency.	Local currency.	P/s.
			84,049.87
Collections:	P78,026.99	22,714.98	
Land tax, provincial.....	100,307.49	28,197.97	
Land tax, municipal.....	1,901.83	197.37	
Registry of property.....	701.92	18.90	
Miscellaneous revenues.....		649.98	
Congressional relief fund, sales of rice.....			
Joint provincial and municipal taxes:	Philippines currency.	Local currency.	
		P/s.	
Industrial.....	P41,414.07	12,013.97	
Cedula.....	79,720.70	32,158.98	
Stamp.....	3,547.96	335.26	
Cart.....	15,860.97	12,554.43	
	140,543.70	57,062.64	
	46,400.81	43,998.48	
Municipal taxes.			
Receipts from insular treasury by warrant:			
S. No. 1615, Act 527 (forestry refund).....	1,475.92		
S. No. 2036, Act 527 (forestry refund).....	1,690.95		
S. No. 2672, Act 527 (forestry refund).....	1,782.05		
S. No. 2941, Act 527 (forestry refund).....	779.90		
	5,728.82		
Repayment of loans by municipalities.....		2,500.00	
Transferred by treasurer, Zambales Province.....	861.60	77.82	
Exchanges and adjustments of currency.....	102,263.67	64,779.17	
	476,736.83	220,197.31	
	491,348.03	304,247.18	
Total.....			
CREDITS.			
Expenses, provincial:			
Salaries and wages.....	51,151.32	18,826.41	
Public buildings.....	3,585.36	2,720.77	
Roads and bridges.....	36,504.35	5,285.20	
Contingent expenses.....	27,762.79	13,081.84	
	119,003.82	39,914.22	
Congressional relief fund, roads and bridges.....	6,072.34	468.48	
Payments to municipalities.....	233,255.45	131,309.65	
Differences due to changes in ratio of exchange.....	57.98		
Exchanges and adjustments of currency.....	56,728.20	115,900.57	
	415,117.79	287,592.92	
Balance due province:			
Unsettled differences, former treasurer.....	7,223.65	3,826.38	
Unsettled differences, present treasurer.....	959.96		
Cash balance, present treasurer.....	66,085.43	9,295.41	
	74,274.04	13,121.79	
Balance due municipalities:			
Unsettled differences, former treasurer.....	619.16	2,872.88	
Unsettled differences, present treasurer.....	1,015.04	659.58	
Cash balance, present treasurer.....	322.00	.01	
	1,956.20	3,532.47	
	76,230.24	16,654.26	
Total.....	491,348.03	304,247.18	

THE PROVINCE OF PARAGUA.

[Organized June 23, 1902.]

Character of item.	Philippines currency.	Local cur- rency.
DEBITS.		
Balance on hand July 1, 1903.....	P 293.22	P/s. 4,862.11
	Philippines Local currency. currency. P/s.	
Collections:		
Land tax, provincial.....		
Land tax, municipal.....	P 1,171.60	1,331.74
Miscellaneous revenues.....	1,100.07	
Joint provincial and municipal taxes:		
	Philippines Local currency. currency. P/s.	
Industrial.....	P 3,492.61	870.75
Stamp.....	246.85	81.50
Cart.....		
	3,739.46	952.25
Municipal taxes.....	4,137.05	3,965.98
Receipts from insular treasury by warrant:		
S. No. 1616, Act 527 (forestry refund).....	1,729.28	
S. No. 2037, Act 527 (forestry refund).....	1,731.39	
S. No. 2673, Act 527 (forestry refund).....	3,150.82	
S. No. 2942, Act 527 (forestry refund).....	831.36	
S. No. 2008, Act 972 (loan).....	6,000.00	
S. No. 3006, Act 972 (loan).....	4,000.00	
	17,442.85	
Exchanges and adjustments of currency.....	2,050.73	
	29,641.76	6,249.97
Total.....	29,934.98	11,112.08
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	7,069.31	2,379.35
Contingent expenses.....	5,504.96	145.21
	12,574.27	2,524.56
Payments to municipalities.....	8,137.77	6,220.09
Exchanges and adjustments of currency.....	2,358.24	
	20,712.04	11,102.80
Balance due province:		
Unsettled differences, former treasurer.....	29.50	9.19
Unsettled differences, present treasurer.....	2,136.70	
Cash balance, present treas- urer.....	2,654.76	
	4,820.96	9.19
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....	466.39	
Cash balance, present treas- urer.....	3,935.50	
	4,401.98	
	9,222.94	9.19
Total.....	29,934.98	11,112.08

THE PROVINCE OF RIZAL.

[Organized June 11, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱5,310.30	P/₱. 22,946.78
Collections:	Philippines currency.	Local currency. P/₱.
Land tax, provincial.....	₱50,612.04	11,876.11
Land tax, municipal.....	55,812.25	12,141.16
Registry of property.....	118.00	7.20
Miscellaneous revenues.....	602.17	178.00
Congressional relief fund, sales of rice.....	13,967.96	
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/₱.
Industrial.....	₱17,363.21	13,282.14
Cedula.....	24,255.75	22,936.03
Stamp.....	997.56	720.09
Cart.....	24.00	
	42,640.52	36,938.26
Municipal taxes.....	22,674.83	37,587.87
Receipts from insular treasury by warrant:		
S. No. 1617, Act 527 (forestry refund).....	779.37	
S. No. 2038, Act 527 (forestry refund).....	1,268.58	
S. No. 2674, Act 527 (forestry refund).....	975.85	
S. No. 2943, Act 527 (forestry refund).....	607.96	
S. No. 1668, Act 799 (advanced by insular government).....	13,043.48	
	16,675.24	
Repayment of loans by municipal- ities.....	869.57	300.00
Exchanges and adjustments of currency.....	36,755.65	8,281.43
	240,728.23	107,310.03
Total.....	246,038.53	130,256.81
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	28,744.19	12,272.63
Public buildings.....	81.51	
Roads and bridges.....	6,719.52	1,130.25
Contingent expenses.....	24,573.83	5,423.53
	60,119.05	18,826.41
Congressional relief fund:		
Roads and bridges.....	13,584.16	
Contingent expenses.....	192.99	
	13,777.15	
Payments to municipalities.....	122,761.11	49,580.26
Loans to municipalities.....	478.60	
Repayment to insular treasury of advance made under provisions of Act 799.....		9,000.00
Exchanges and adjustments of currency.....	7,471.80	41,697.07
	204,607.71	119,103.74
Balance due province:		
Unsettled differences, former treasurer.....	315.14	6,946.44
Unsettled differences, present treasurer.....	1,707.27	33.57
Cash balance, present treas- urer.....	32,912.71	3,150.18
	34,635.12	10,130.19
Balance due municipalities:		
Unsettled differences, former treasurer.....	1,392.44	
Unsettled differences, present treasurer.....		
Cash balance, present treas- urer.....	5,103.26	1,022.88
	6,495.70	1,022.88
	41,430.82	11,153.07
Total.....	246,038.53	130,256.81

THE PROVINCE OF ROMBLON.

[Organized March 16, 1901; office of treasurer consolidated with that of supervisor by Act 901, September 24, 1903.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱168.68	P/s. 6,271.46
	Philippines currency.	Local currency. P/s.
Collections:		
Land tax, provincial.....	₱1,737.27	3,941.38
Land tax, municipal.....	1,584.11	4,632.62
Registry of property.....	24.00	7.14
Miscellaneous revenues.....	185.00	392.31
Congressional relief fund, sales of rice.....	932.40	398.26
Joint provincial and municipal taxes:		
	Philippines currency.	Local currency. P/s.
Industrial.....	₱9,422.31	17,714.55
Cedula.....	4,003.21	11,099.72
Stamp.....	216.46	271.23
Cart.....	30.00	64.50
	13,671.98	29,150.00
Municipal taxes.....	3,261.67	5,354.96
Receipts from insular treasury by warrant:		
S. No. 1631 (internal-revenue refund).....	136.94	
S. No. 1618, Act 527 (forestry refund).....	398.13	
S. No. 2039, Act 527 (forestry refund).....	380.31	
S. No. 2558, Act 1076 (loan).....	8,000.00	
S. No. 2675, Act 527 (forestry refund).....	561.73	
S. No. 2944, Act 527 (forestry refund).....	203.19	
	9,680.30	
Exchanges and adjustments of currency.....	19,440.49	8,905.67
	50,517.22	52,782.34
Total.....	50,685.90	59,053.80
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	7,205.56	6,863.71
Public buildings.....	1,779.45	588.35
Roads and bridges.....		527.98
Contingent expenses.....	4,660.18	472.19
	13,645.19	8,452.23
Congressional relief fund, contin- gent expenses.....	37.80	155.33
Payments to municipalities.....	11,438.24	27,712.54
Transferred to treasurer, Capiz Province.....		68
Loss, rule 28, Act 90.....	8.00	199.84
Exchanges and adjustments of currency.....	7,989.10	21,926.98
	33,119.01	58,446.92
Balance due province:		
Unsettled differences, former treasurer.....	5.00	
Unsettled differences, present treasurer.....	16.00	
Cash balance, present treas- urer.....	16,462.57	150.08
	16,483.57	150.08
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....		
Cash balance, present treas- urer.....	1,083.32	456.80
	1,083.32	456.80
	17,566.89	606.88
Total.....	50,685.90	59,053.80

THE PROVINCE OF SAMAR.

[Organized June 17, 1901.]

Character of Item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			P/s 118,420.28
	Philippines currency.	Local currency.	
Collections:			
Land tax, provincial.....	₱8,036.93	4,251.23	
Land tax, municipal.....	10,715.89	5,568.15	
Registry of property.....	67.75	136.08	
Miscellaneous revenues.....	10.00		
Congressional relief fund, sales of rice.....	1,609.20	11,085.60	
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	
Industrial.....	₱52,039.77	32,101.60	
Cedula.....	36,387.00	14,544.38	
Stamp.....	1,130.45	1,178.32	
	80,557.22	47,824.30	
Municipal taxes.....	4,387.96	7,593.59	
Receipts from insular treasury by warrant:			
S. No. 1619, Act 527 (forestry refund).....	110.14		
S. No. 2040, Act 527 (forestry refund).....	645.33		
S. No. 2676, Act 527 (forestry refund).....	642.28		
S. No. 2945, Act 527 (forestry refund).....	533.50		
	1,931.25		
Repayment of loans by municipalities.....	5,516.43	834.83	
Differences due to changes in ratio of exchange.....	163.14		
Exchanges and adjustments of currency.....	177,318.97	68,748.05	
	299,314.74		146,151.83
Total.....	309,474.30		264,572.11
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	28,559.63	8,763.62	
Public buildings.....	884.73	559.50	
Roads and bridges.....	8,663.07		
Contingent expenses.....	22,605.18	13,626.17	
	60,712.61	22,949.29	
Congressional relief fund:			
Roads and bridges.....	5,169.80		
Public buildings.....	2,023.04		
	7,192.84		
Payments to municipalities.....	63,153.65	35,455.97	
Repayment of loan.....	5,217.30		
Differences due to changes in ratio of exchange.....		.10	
Exchanges and adjustments of currency.....	62,031.09	200,462.08	
	198,307.40		258,867.44
Balance due province:			
Unsettled differences, former treasurer.....	142.41	1,607.98	
Unsettled differences, present treasurer.....	9,391.84	706.23	
Cash balance, present treasurer.....	75,083.58	3,798.24	
	84,617.83	6,112.45	
Balance due municipalities:			
Unsettled differences, former treasurer.....	73.22		
Unsettled differences, former treasurer (credit).....		419.26	
Unsettled differences, present treasurer.....	2,020.34	11.48	
Cash balance, present treasurer.....	24,455.42		
	26,548.98	a 407.78	
	111,166.81		5,704.67
Total.....	309,474.30		264,572.11

a Credit.

THE PROVINCE OF SORSOGON.

[Organized April 30, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903	P 17,302.72	P/s. 7,216.78
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial	P 17,471.53	16,611.97
Land tax, municipal	23,364.80	22,148.26
Registry of property	53.00	
Miscellaneous revenues	1,537.33	1,322.50
Congressional relief fund, sales of rice	3,383.76	21,833.20
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial	P 47,947.70	28,518.96
Cedula	31,537.00	6,118.03
Stamp	4,332.93	4,200.09
Cart	193.00	100.00
Municipal taxes	84,010.63	38,997.08
Receipts for insular treasury by warrant:	18,332.66	33,205.48
S. No. 1620, Act 527 (forestry refund)	550.63	
S. No. 2041, Act 527 (forestry refund)	1,179.93	
S. No. 2677, Act 527 (forestry refund)	1,403.74	
S. No. 2946, Act 527 (forestry refund)	714.23	
S. No. 2149, Act 838 (general expenses)	10,021.23	
Differences due to changes in ratio of exchange	3,848.53	10,021.23
Exchanges and adjustments of currency	35.04	
	14,408.00	6,164.67
Total	166,445.28	150,304.39
CREDITS.	183,748.00	157,521.17
Expenditures, provincial:		
Salaries and wages	37,593.84	4,717.64
Public buildings	4,116.05	7,001.59
Roads and bridges	1,712.32	7,540.34
Contingent expenses	29,124.98	17,230.28
Congressional relief fund, roads and bridges	72,547.19	37,089.85
Payments to municipalities	3,540.34	20,269.41
Exchanges and adjustments of currency	77,390.59	77,509.81
	5,538.19	16,289.06
Balance due province:	159,016.31	151,098.13
Unsettled differences, former treasurer	734.16	364.75
Unsettled differences, present treasurer (credit)	754.79	
Unsettled differences, present treasurer	6,028.29	
Cash balance, present treas- urer	16,461.24	
	16,440.61	6,423.04
Balance due municipalities:		
Unsettled differences, former treasurer	795.04	
Unsettled differences, present treasurer .....	.46	
Cash balance, present treas- urer	7,495.58	
	8,291.08	
Total	24,731.69	6,423.04
Total	183,748.00	157,521.17

THE PROVINCE OF SURIGAO.

[Organized May 15, 1901; office of treasurer consolidated with that of supervisor by Act 815, dated July 31, 1903.]

Character of item.	Philippines currency.		Local currency.
DEBITS.			
Balance on hand July 1, 1903.....			P218. 10
	Philippines currency.	Local currency.	P/s. 7,186. 30
Collections:			
Land tax, provincial.....	P174. 31	3,789. 75	
Land tax, municipal.....	174. 50	3,802. 72	
Registry of property.....	19. 00	14. 19	
Miscellaneous revenues.....	311. 14	4. 29	
Congressional relief fund, sales of rice.....	106. 08		
Joint provincial and municipal taxes:			
	Philippines currency.	Local currency.	P/s.
Industrial.....	P9,543. 18	14,241. 30	
Cedula.....	4,833. 00	29,096. 93	
Stamp.....	264. 63	523. 10	
Cart.....	21. 00	49. 68	
	14,661. 81	43,931. 01	
Municipal taxes.....	1,113. 87	1,908. 24	
Receipts from insular treasury by warrant:			
S. No. 1621, Act 527 (forestry refund).....	259. 84		
S. No. 2012, Act 527 (forestry refund).....	188. 87		
S. No. 2678, Act 527 (forestry refund).....	959. 25		
S. No. 2917, Act 527 (forestry refund).....	164. 62		
	1,572. 58		
Exchanges and adjustments of currency.....	21,205. 11	40. 00	
	39,338. 40		53,490. 20
Total.....	39,556. 50		60,676. 50
CREDITS.			
Expenditures, provincial:			
Salaries and wages.....	9,855. 92	10,964. 39	
Public buildings.....	116. 30	32. 25	
Roads and bridges.....	5. 00		
Contingent expenses.....	4,118. 77	3,365. 62	
	14,095. 99	14,362. 26	
Payments to municipalities.....	14,066. 32	12,803. 67	
Loans to municipalities.....	136. 91	8,660. 30	
Refund of excess collections.....		7. 24	
Differences due to changes in ratio of exchange.....	5. 02	1. 86	
Exchanges and adjustments of currency.....	34. 04	23,703. 46	
	28,338. 88		59,538. 79
Balance due province:			
Unsettled differences, former treasurer.....			
Unsettled differences, present treasurer.....	471. 67		
Cash balance, present treasurer.....	6,538. 65	956. 49	
	7,010. 32	956. 49	
Balance due municipalities:			
Unsettled differences, former treasurer.....			
Unsettled differences, present treasurer.....	2,285. 66		
Cash balance, present treasurer.....	1,921. 64	181. 22	
	4,207. 30	181. 22	
	11,217. 62		1,137. 71
Total.....	39,556. 50		60,676. 50

THE PROVINCE OF TARLAC.

[Organized February 18, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P 20,603.52	P/s. 29,908.86
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	P 24,066.38	7,301.58
Land tax, municipal.....	28,500.08	8,535.27
Registry of property.....	336.15	75.90
Miscellaneous revenues.....	617.75	60.00
Congressional relief fund, sales of rice.....	24,748.70	28,951.61
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	P 20,355.81	10,210.43
Cedula.....	25,719.00	7,809.86
Stamp.....	2,355.44	1,041.30
Cart.....	3,438.70	4,243.98
	51,868.95	23,305.57
Municipal taxes.....	13,499.30	16,454.32
Receipts from insular treasury by warrant:		
S. No. 1622, Act 527 (forestry refund).....	2,605.66	
S. No. 2043, Act 527 (forestry refund).....	3,552.59	
S. No. 2679, Act 527 (forestry refund).....	2,404.62	
S. No. 2948, Act 527 (forestry refund).....	1,501.91	
	10,064.78	
Exchanges and adjustments of currency.....	16,302.29	13.90
	170,064.38	84,698.15
Total.....	190,667.90	114,607.01
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	22,397.78	3,167.28
Public buildings.....	9,974.31	9,740.08
Roads and bridges.....	14,238.24	10,452.78
Contingent expenses.....	11,571.42	5,078.18
	58,181.75	28,439.22
Congressional relief fund:		
Roads and bridges.....	24,748.70	28,951.61
Payments to municipalities.....	72,764.17	38,557.88
Exchanges and adjustments of currency.....	11.82	18,653.30
	155,706.44	114,602.01
Balance due province:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....	248.41	5.00
Cash balance, present treas- urer.....	34,443.42	
	34,691.83	5.00
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....		
Cash balance, present treas- urer.....	269.63	
	269.63	
	34,961.46	5.00
Total.....	190,667.90	114,607.01

THE PROVINCE OF TAYABAS.

[Organized March 12, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P20,366.98	P/s. 66,098.97
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	P23,533.14	18,854.70
Land tax, municipal.....	31,297.97	24,985.63
Registry of property.....	124.09	21.05
Miscellaneous revenue.....	20.31	
Congressional relief fund, sales of rice.....	41,577.43	
Joint provincial and municipal taxes:		
Philippines currency.		
Local currency.		
Industrial.....	P27,849.10	14,517.53
Cedula.....	34,663.96	11,923.28
Stamp.....	2,403.37	624.48
Cart.....	213.23	45.37
	65,129.66	27,110.66
Municipal taxes.....	16,909.74	20,873.14
Receipts from insular treasury by warrant:		
S. No. 1623, Act 527 (forestry refund).....	11,662.51	
S. No. 2044, Act 527 (forestry refund).....	10,640.72	
S. No. 2680, Act 527 (forestry refund).....	19,754.57	
S. No. 2948, Act 527 (forestry refund).....	7,998.74	
S. No. 2304, Act 997 (loan).....	5,085.00	
S. No. 2328, Act 997 (loan).....	8,000.00	
S. No. 1829, Act 880 (construction of schools).....	2,446.00	
	63,141.54	2,446.00
Repayments of loans by municipalities.....	705.31	388.43
Transferred from treasurer, Marinduque Province.....	120.00	
Exchanges and adjustments of currency.....	59,166.91	23,257.76
Total.....	301,726.10	117,937.37
(CREDITS.)		
Expenditures, provincial:		
Salaries and wages.....	44,900.06	13,287.87
Public buildings.....	2,493.52	280.00
Roads and bridges.....	8,886.86	23,186.34
Contingent expenses.....	34,616.77	5,865.40
	90,897.21	42,619.61
Congressional relief fund, roads and bridges.....	41,537.75	
Payments to municipalities.....	92,223.54	58,450.41
Loans to municipalities.....	13,085.00	
Exchanges and adjustments of currency.....	20,420.06	67,764.93
	258,163.56	168,843.95
Balance due province:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....	2,000.78	45.27
Cash balance, present treasurer.....	28,026.05	12,222.75
	30,026.83	12,268.02
Balance due municipalities:		
Unsettled differences, former treasurer.....		
Unsettled differences, present treasurer.....	4,497.52	2,414.25
Cash balance, present treasurer.....	20,396.17	510.12
	33,893.69	2,924.37
	63,920.52	15,192.39
Total.....	322,093.08	184,036.34

THE PROVINCE OF UNION.

[Organized August 15, 1901.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P 1,078.68	P/s. 3,656.12
Collections:	Philippines currency.	Local P/s.
Land tax, provincial.....	P 6,493.68	17,370.68
Land tax, municipal.....	8,658.16	23,160.85
Registry of property.....	125.58	196.74
Miscellaneous revenues.....	144.00	
Congressional relief fund, sales of rice.....	6,045.64	
Joint provincial and municipal taxes:		
Industrial.....	P 20,514.06	14,911.94
Cedula.....	17,842.46	7,168.38
Stamp.....	576.35	226.39
Cart.....	2,717.41	971.45
	41,650.28	23,278.16
Municipal taxes.....	6,868.73	17,637.94
Receipts from insular treasury by warrant:		
S. No. 1624, Act 527 (forestry refund).....	616.83	
S. No. 2045, Act 527 (forestry refund).....	537.00	
S. No. 2681, Act 527 (forestry refund).....	501.08	
S. No. 2950, Act 527 (forestry refund).....	158.32	
S. No. 2047, Act 988 (loan).....	20,000.00	
	21,813.43	
Exchanges and adjustments of currency.....	10,971.56	13,272.34
	102,771.06	94,916.71
Total.....	104,749.74	98,572.83
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	19,189.64	15,322.86
Public buildings.....	1,836.80	319.81
Roads and bridges.....	4,400.23	2,603.91
Contingent expenses.....	15,557.70	1,450.61
	40,984.37	19,697.19
Congressional relief fund:		
Roads and bridges.....	1,934.33	
Contingent expenses.....	90.00	326.65
	2,024.33	326.65
Payments to municipalities.....	37,613.47	55,900.77
Exchanges and adjustments of currency.....	11,869.44	12,452.00
	92,491.61	87,776.61
Balance due province:		
Unsettled differences, former treasurer.....	850.82	4,799.49
Unsettled differences, present treasurer.....	3,823.82	1,341.90
Cash balance, present treasurer.....	6,904.83	10,597.26
	11,609.47	7,139.67
Balance due municipalities:		
Unsettled differences, former treasurer.....	2.98	3,651.97
Unsettled differences, present treasurer.....	838.22	
Cash balance, present treasurer (credit).....	252.54	4.58
	568.66	3,656.55
	12,258.13	10,796.22
Total.....	104,749.74	98,572.83

a Credit.

b Debit.

THE PROVINCE OF ZAMBALES.

[Organized August 28, 1901; office of treasurer consolidated with that of supervisor by Act 632, dated February 10, 1903.]

Character of item.	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	₱4,108.66	P/s. 5,671.86
Collections:	Philippines currency.	Local currency. P/s.
Land tax, provincial.....	₱7,446.09	7,538.83
Land tax, municipal.....	8,310.53	7,703.16
Registry of property.....	6.00	
Congressional relief fund, sales of rice.....	13.20	14,272.90
Joint provincial and municipal taxes:	Philippines currency.	Local currency. P/s.
Industrial.....	₱3,353.42	2,685.29
Cedula.....	8,894.70	4,978.32
Stamp.....	152.46	168.84
Cart.....	1,231.62	812.76
	13,632.20	8,655.21
Municipal taxes.....	4,476.42	10,216.65
Receipts from insular treasury by warrant:		
S. No. 1625, Act 527 (forestry refund).....	2,200.91	
S. No. 1986, Act 527 (forestry refund).....	4,269.85	
S. No. 2682, Act 527 (forestry refund).....	2,122.57	
S. No. 2951, Act 527 (forestry refund).....	2,666.72	
S. No. 1987 (loan).....	5,000.00	
	16,260.05	
Repayment of loans by munici- palities.....	9.80	288.73
Exchanges and adjustments of currency.....	6,157.45	755.10
	56,311.74	49,450.58
Total.....	60,420.40	55,122.44
CREDITS.		
Expenditures, provincial:		
Salaries and wages.....	17,642.68	4,721.64
Public buildings.....		22.55
Roads and bridges.....	1,933.12	2,106.21
Contingent expenses.....	3,997.00	2,662.52
	23,572.80	9,515.92
Congressional relief fund, roads and bridges.....		14,115.80
Payments to municipalities.....	22,788.09	23,457.26
Loans to municipalities.....		300.00
Transferred to treasurer, Panga- sinan Province.....	861.60	77.82
Differences due to changes in ratio of exchange.....	705.64	
Exchanges and adjustments of currency.....	651.06	7,014.54
	48,579.19	54,481.34
Balance due province:		
Unsettled differences, former treasurer.....	963.72	108.20
Unsettled differences, present treasurer.....	99.97	489.84
Cash balance, present treas- urer.....	8,616.16	11.50
	9,679.85	609.54
Balance due municipalities:		
Unsettled differences, former treasurer.....	135.86	23.00
Unsettled differences, present treasurer (credit).....	3.60	
Cash balance, present treas- urer.....	2,029.10	8.56
	2,161.36	31.56
	11,841.21	641.10
Total.....	60,420.40	55,122.44

THE MORO PROVINCE.

[Organized July 15, 1903.]

Character of item.				Philippines currency.	Local currency.
DEBITS.					
Collections, provincial:	Philippines currency.	Local currency. P/s.	Philippines currency.	Local currency. P/s.	
Registry of property.....	P279.50	53.55			
Industrial.....	35,416.23	6,059.42			
Cedulas.....	26,723.00	5,585.44			
Stamps.....	1,391.29	375.34			
Fines.....	50.00	27.50			
			P63,890.02	12,101.25	
Municipal taxes.....			28,865.91	4,849.68	
Congressional relief fund:					
Sales of rice.....			2,759.78	445.58	
S. W. No. 5026.....			300,000.00		
Receipts from insular treasury by warrant:					
S. No. 1939, Act 527 (forestry refund).....	10,000.00				
S. No. 2046, Act 527 (forestry refund).....	13,979.16				
S. No. 2667, Act 527 (forestry refund).....	10,427.23				
S. No. 2936, Act 527 (forestry refund).....	3,250.00				
S. No. 2306, Act 807 (general ex- penses).....	390.00				
S. No. 3041, Act 852 (repair of wharf).....	10,000.00				
S. No. 1846, Act 852 (repair of wharf).....	4,000.00				
			58,046.39		
Transfer from Eugene Barton, Misamis.....			2,419.25		
Exchanges and adjustments of currency.....			27,451.15	15,111.00	
Deposits:					
Customs.....	215,848.81	2,401.13			
Internal revenue.....	1,142.67	1,709.07			
			216,991.48	4,110.20	
Total.....			P700,423.98		P/s. 36,617.71
CREDITS.					
Expenditures:					
Salaries and wages.....	114,679.27				
Public buildings.....	1,439.50				
Roads and bridges.....	7,112.43				
Contingent expenses.....	43,652.53				
Wharves and docks.....	10,035.85				
			176,919.58		
Payments to municipalities.....			27,994.72	4,712.51	
Exchanges and adjustments of currency.....			13,369.56	31,214.15	
Balance due province:					
Unsettled differences, former treasurer.....	522.82				
Unsettled differences, present treasurer.....	21,382.57				
Cash balance, present treas- urer.....	459,363.54	553.88			
			481,268.93	553.88	
Balance due municipalities:					
Unsettled differences, former treasurer.....	864.20	111.20			
Cash balance, present treas- urer.....	6.90	22.97			
			871.19	137.17	
				482,140.12	691.05
Total.....			700,423.98		36,617.71

The following statements show the customs revenues and disbursements in Moro Province for the fiscal year, from the standpoint of audited accounts. The difference between deposits in the Moro treasury and the revenues here stated represents undeposited balances in the hands of collectors. The expenditures of the service are advanced by the insular government and are carried in the account of reimbursable expenditures.

Customs collections, Moro Province.

	Philippines currency.
Duties on merchandise imported for immediate consumption.....	P 200,308.72
Duties on merchandise exported.....	2,217.66
Wharfage on merchandise exported (sec. 16, Act 230).....	2,048.56
Increased duties ascertained on liquidation.....	191.56
Duties on merchandise sold under chapter 21, Act 355.....	2,224.67
Surplus on same.....	237.57
Tonnage (sec. 14, Act 230).....	2,669.20
Storage, labor, and drayage.....	252.31
Fines, penalties, and forfeitures.....	933.71
Licenses issued under section 135, Act 355.....	2,509.72
Sales of custom stamps (sec. 284, Act 355).....	4,642.69
Sales of rolls (sec. 143, Act 355).....	384.15
Sales of blank forms.....	174.61
Immigration tax (sec. 370, Act 355).....	854.00
Miscellaneous fees (secs. 392 and 393, Act 355).....	2,972.08
Total.....	222,621.21

Expenditures, customs service, Moro Province.

	Philippines currency.
Salaries and wages.....	P 42,307.38
Transportation.....	638.82
Contingent expenses.....	6,109.86
Launches.....	2,632.26
Tramway.....	308.66
Total.....	51,996.98

Refundable customs collections and disbursements, Moro Province.

Character of item.	Philippines currency.	
	Collections.	Refunds.
Extra service of employees.....	P 170.60	P 12.60
Balance on hand June 30, 1901.....		158.00
Total.....	170.60	170.60

While there is no direct relation between the financial transactions of one province and those of another, for the statistical information it may afford a consolidated statement of the items entering into the accounts of the various provincial treasurers is given in the following table:

Consolidation of items in the general accounts of provincial treasurers.

	Philippines currency.	Local currency.
DEBITS.		
Balance on hand July 1, 1903.....	P472,865.68	1,174,616.73
Collections:		
Land tax, provincial.....	P617,864.52	500,870.35
Land tax, municipal.....	750,680.35	639,785.04
Registry of property.....	5,977.95	2,680.80
Miscellaneous provin- cial revenues.....	19,700.66	31,506.92
	P1,394,223.48	1,174,843.11
Congressional relief fund:		
Sales of rice.....	367,126.09	395,316.00
Loans.....	30,000.00	
Payments to provin- ces.....	350,000.00	
	747,126.09	395,316.00
Joint provincial and mun- icipal taxes:		
Industrial.....	755,971.79	561,596.37
Cedula.....	889,531.91	694,483.39
Stamp.....	41,237.48	32,451.14
Cart.....	52,726.19	42,190.10
	1,739,467.37	1,330,721.00
Customs collections (Moro Province).....	215,848.81	2,401.13
Miscellaneous municipal taxes.....	456,493.38	778,452.74
Receipts from insular treasury by warrant:		
Internal revenue re- funded.....	993.42	
Forestry taxes re- funded.....	281,284.10	
Loans.....	171,885.00	
Advances to provin- ces.....	15,668.50	
Payments to provin- ces.....	145,546.48	57,467.23
	615,377.50	57,467.23
Loans to municipalities repaid.....	10,100.85	9,509.90
Transfers.....	3,402.22	108.73
Differences due to changes in ratio of ex- change.....	209.28	.29
Exchanges and adjust- ments of currency.....	1,829,804.78	862,216.60
Total.....	7,012,053.76	4,610,946.73
CREDITS.		
Expenditures for pro- vincial purposes:		
Salaries and wages.....	1,021,206.92	429,050.11
Public buildings.....	80,125.49	66,663.61
Roads and bridges.....	362,273.72	247,260.02
Contingent expenses.....	699,317.66	287,416.90
	2,162,923.79	1,030,390.64
Congressional relief fund:		
Roads and bridges.....	355,410.52	263,903.69
Public buildings.....	17,697.65	336.79
Contingent expenses.....	2,476.37	3,427.40
	375,584.54	267,667.88
Repayment of loans to insular treasury.....	43,217.30	5,750.00
Payments to municipal- ities.....	2,217,663.57	2,001,922.48
Loans to municipalities.....	23,429.03	11,419.25
Refund of excess collec- tions and deposits.....		7.24

The following statements show the customs revenues and disbursements in Moro Province for the fiscal year, from the standpoint of audited accounts. The difference between deposits in the Moro treasury and the revenues here stated represents undeposited balances in the hands of collectors. The expenditures of the service are advanced by the insular government and are carried in the account of reimbursable expenditures.

Customs collections, Moro Province.

	Philippines currency.
Duties on merchandise imported for immediate consumption	P200,308.72
Duties on merchandise exported	2,217.66
Wharfage on merchandise exported (sec. 16, Act 230)	2,048.56
Increased duties ascertained on liquidation	191.56
Duties on merchandise sold under chapter 21, Act 355	2,224.67
Surplus on same	237.57
Tonnage (sec. 14, Act 230)	2,669.20
Storage, labor, and drayage	252.31
Fines, penalties, and forfeitures	933.71
Licenses issued under section 135, Act 355	2,509.72
Sales of custom stamps (sec. 284, Act 355)	4,642.69
Sales of rolls (sec. 143, Act 355)	384.15
Sales of blank forms	174.61
Immigration tax (sec. 370, Act 355)	854.00
Miscellaneous fees (secs. 392 and 393, Act 355)	2,972.08
Total	222,621.21

Expenditures, customs service, Moro Province.

	Philippines currency.
Salaries and wages	P42,307.38
Transportation	638.82
Contingent expenses	6,100.86
Launches	2,632.26
Tramway	308.06
Total	51,986.98

Refundable customs collections and disbursements, Moro Province.

Character of item.	Philippines currency.	
	Collections.	Refunds.
Extra service of employees	P170.60	P12.60
Balance on hand June 30, 1904		158.00
Total	170.60	170.60

While there is no direct relation between the financial transactions of one province and those of another, for the statistical information it may afford a consolidated statement of the items entering into the accounts of the various provincial treasurers is given in the following table:

Consolidation of items in the general accounts of provincial treasurers.

	Philippines currency.		Local currency.	
DEBITS.				
Balance on hand July 1, 1903.....			P472,865.68	1,174,616.73
	Philippines currency.	Local currency.		P/s.
Collections:				
Land tax, provincial.....	P617,864.52	500,870.35		
Land tax, municipal.....	750,680.35	639,785.04		
Registry of property.....	5,977.95	2,680.80		
Miscellaneous provin- cial revenues.....	19,700.66	31,506.92	Philippines currency.	Local currency.
			P/s.	
			P1,394,223.48	1,174,843.11
Congressional relief fund:				
Sales of rice.....	367,126.09	395,316.00		
Loans.....	30,000.00			
Payments to prov- inces.....	350,000.00		747,126.09	395,316.00
Joint provincial and mun- icipal taxes:				
Industrial.....	755,971.79	561,596.37		
Cedula.....	889,531.91	694,483.39		
Stamp.....	41,237.48	32,451.14		
Cart.....	52,726.19	42,190.10		
			1,739,467.37	1,330,721.00
Customs collections (Moro Province).....			215,848.81	2,401.13
Miscellaneous municipal taxes.....			456,493.38	778,452.74
Receipts from insular treasury by warrant:				
Internal revenue re- funded.....	993.42			
Forestry taxes re- funded.....	281,284.10			
Loans.....	171,885.00			
Advances to prov- inces.....	15,668.50			
Payments to prov- inces.....	145,546.48	57,467.23	615,377.50	57,467.23
Loans to municipalities repaid.....			10,100.85	9,509.90
Transfers.....			3,402.22	108.73
Differences due to changes in ratio of ex- change.....			201.28	.29
Exchanges and adjust- ments of currency.....			1,829,804.78	862,216.60
			7,012,053.76	4,610,946.73
Total.....			7,484,919.44	5,785,653.46
CREDITS.				
Expenditures for pro- vincial purposes:				
Salaries and wages ..	1,021,206.92	429,050.11		
Public buildings.....	80,125.49	66,663.61		
Roads and bridges....	362,273.72	247,260.02		
Contingent expenses..	699,317.66	287,416.90	2,162,923.79	1,030,390.64
Congressional relief fund:				
Roads and bridges ..	355,410.52	263,903.69		
Public buildings.....	17,697.65	336.79		
Contingent expenses..	2,476.37	3,427.40	375,584.54	267,667.88
Repayment of loans to insular treasury.....			43,217.30	5,750.00
Payments to municipal- ities.....			2,217,663.57	2,001,922.48
Loans to municipalities.....			23,429.03	11,419.25
Refund of excess collec- tions and deposits.....				7.24

Consolidation of items in the general accounts of provincial treasurers—Continued.

				Philippines currency.	Local currency.
CREDITS—continued					
	Philippines currency.	Local currency. P/s.	Philippines currency.	Local currency. P/s.	
Differences due to changes in ratio of ex- change.....			P6,056.28	18.52	
Loss.....			8.00	199.84	
Repayment (Act 790).....				9,000.00	
Deposits in insular treasury.....			341.68		
Transfers.....			3,402.22	108.73	
Exchanges and adjust- ments of currency.....			767,055.87	2,063,916.57	
				P5,599,682.28	P/s. 5,389,501.15
Balances due province:					
Unsettled differences, former treasurer..	P26,027.35	32,871.47			
Unsettled differences, present treasurer..	79,940.20	424.52			
Cash balance, present treasurer.....	1,428,663.18	285,089.30			
			1,534,630.73	318,385.29	
Balances due municipal- ities:					
Unsettled differences, former treasurer..	12,151.07	7,747.00			
Unsettled differences, present treasurer..	48,038.94	33,627.31			
Cash balance, present treasurer.....	290,416.42	36,392.71			
			350,606.43	77,767.02	
				1,885,237.16	396,152.31
Total.....				7,484,919.44	5,785,653.46

DETAILED STATEMENTS OF THE EXPENDITURES.

Detailed statements showing the actual purpose for which every item of expenditure included in this report was made, are prepared in this office and sent to the War Department at Washington.

Respectfully,

WM. W. BARRE, *Acting Auditor.*

The SECRETARY OF WAR.

The CIVIL GOVERNOR OF THE PHILIPPINE ISLANDS.

The PHILIPPINE COMMISSION.

THIRD ANNUAL REPORT
OF THE
SECRETARY OF PUBLIC INSTRUCTION
TO THE
PHILIPPINE COMMISSION
FOR THE
YEAR ENDING OCTOBER 15, 1904.

811

Consolidation of items in the general accounts of provincial treasurers—Continued.

				Philippines currency.	Local currency.
CREDITS—continued					
	Philippines currency.	Local currency. P/s.	Philippines currency.	Local currency. P/s.	
Differences due to changes in ratio of ex- change.....			P6,056.28	18.52	
Loss.....			8.00	199.84	
Repayment (Act 799).....				9,000.00	
Deposits in insular treasury.....			341.68		
Transfers.....			3,402.22	108.73	
Exchanges and adjust- ments of currency.....			767,055.87	2,063,016.57	
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	Philippines currency.	Local currency. P/s.	Philippines currency.	Local currency. P/s.
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REPORT DEPARTMENT OF PUBLIC INSTRUCTION.

DEPARTMENT OF PUBLIC INSTRUCTION,
Manila, P. I., October 15, 1904.

The secretary of public instruction begs leave to submit to the honorable the Philippine Commission the third annual report of the work accomplished during the year ending October 15, 1904, unless otherwise stated, by those bureaus of the insular government under the executive control of the department of public instruction.

BUREAU OF EDUCATION.

ORGANIZATION.

Since the filing of the second annual report there has been no change in the plan of organization of the Bureau of Education except along the lines of development and perfection. A general superintendent in charge of the bureau, 32 actual and 4 ex officio division superintendents supervising the school work of 36 school divisions, and a force of American and native teachers discharging the duties of instructors in the various municipalities and barrios make up for the school year 1904-5, as for that of 1903-4, the Philippine educational organization. Thirty-eight provincial high schools are now in operation in 35 of the provinces, and 3 technical, 12 intermediate, and 2,233 primary schools have been permanently established in 629 of the 660 municipalities. Owing to lack of American teachers, want of municipal funds, and local conditions, 31 of the total number of municipalities are without any facilities for public instruction worthy of the name. Municipalities which have no public schools and the provinces in which such municipalities are located are as follows:

Albay.—Bagamanoc, Calolbon, Caromaran, Jovellar, Pandan, Payo.

Ambos Camarines.—Capalonga, Gainga, Lupi, Siruma.

Capiz.—Buruanga.

Isabela.—Santo Tomas.

Misamis.—Jiminez.

Samar.—Almagro, Oquendo, Oras, Santo Nino.

Sorsogon.—Bonsul, Castilla, Irosin, Matnog, Pilar, Santa Magdalena.

Surigao.—Bislig, La Paz, Lianga, Nonoc, Sapao, Talacogon, Veruela.

Tayabas.—Baler.

Six of the 31 municipalities just mentioned, viz, Santo Tomas, in the province of Isabela, and La Paz, Liango, Sapao, Talacogon, and Bislig, in the province of Surigao, will open schools during the current month. As soon as the American teachers now under appointment in the United States report for duty, schools will be

established at Baler, in the province of Tayabas, and in those municipalities of Albay, Sorsogon, and Ambos Camarines which are at present unprovided with facilities for public instruction. American teachers will be assigned to Almagro, Oquendo, Oras, and Santo Nino, in the province of Samar, as soon as the existing pulajan activity in the vicinity of those municipalities abates and permits the people to return to their usual avocations and pursuits. There is no present expectation of establishing schools at Buruanga, Capiz, or Jiminez, in the province of Misamis, or at Nonoc or Vuela, in the province of Surigao.

THE GENERAL SUPERINTENDENT.

During the past year the passing of the teaching force to the civil-service list, the adjustment of leave due to teachers retiring from the service or entitled to visit the United States, the preparation of additional courses of study to meet the advance of the pupils, the comparison of efficiency reports for the purpose of making promotions, the filling of vacancies among the American teachers, the selection of insular native teachers, the choosing of students for education in the United States, the development of a system of technical and industrial instruction in provincial high schools and the furnishing of the necessary plant and facilities therefor, the establishment of a system of intermediate instruction, the preparation of plans for standard school buildings, and, finally, the keeping in touch with each school division and with every school in it, have increased the routine work of the general superintendent's office 525 per cent over that of the previous year.

This enormous increase of work necessitated some increase in the office force, and this was accomplished without increased expense to the government by the substitution of six Filipino for two American clerks. The work, however, is still too heavy for the number of men employed, as is evidenced by the fact that all employees are obliged to work overtime, some of them as much as sixty hours a month.

Since September, 1903, the general superintendent, notwithstanding the addition to his routine work, has found time to visit the schools of 26 provinces, and the benefit resulting has been so marked that it seems imperative that he should be relieved of as much office work as possible in order that more time may be left to him for the performance of the important duty of school inspection. The long distances to be traveled in order to make such a round of visits, coupled with the difficulty of obtaining anything resembling proper transportation or living accommodations, imposed serious hardships on the general superintendent, and he is deserving of high commendation for the energy displayed, especially when it is considered that the termination of a tour of inspection meant the return to a mass of accumulated office work, the disposition of which required days and weeks of extra and extraordinary labor.

The office force of the general superintendent, as authorized by the appropriation bill for the fiscal year 1904-5, is composed of 21 Americans and 8 Filipinos, assigned to divisions as follows: Assistant's division, assistant to the general superintendent and 2 stenographers; record division, 1 record clerk and 6 clerks; statistical division, 2

clerks and 1 stenographer; disbursing officer's division, 1 disbursing officer and 4 clerks; property division, 1 property clerk, 1 stenographer, and 4 clerks; special division, 1 architectural draftsman and assistant, 1 special order clerk and assistant, and 1 stenographer to the general superintendent.

DIVISION SUPERINTENDENTS.

In the month of December, 1903, the school division of Misamis was virtually suppressed by the withdrawal of its division superintendent and American teachers on account of the lack of interest shown by the provincial officials and people in the public schools. This drastic measure called the attention of both officials and people to the fact that education was not to be forced upon those unwilling to receive it, and so wounded provincial pride that there was a sudden and notable revival of interest in everything pertaining to public instruction. The honorable the civil governor, the general superintendent, and the secretary of public instruction were besieged with petitions, letters, and telegrams asking for the reopening of the schools, but to all the answer was returned that the insular government would incur no further expense for education in Misamis until the province had furnished some tangible evidence that its lukewarmness and indifference had been replaced by an active interest in schools and a willingness to cooperate with the bureau of education in educational matters. With praiseworthy energy the province set to work to establish schools at its own expense, and at the beginning of the current school year the interest in schools was so manifest and the school attendance so greatly increased that the province of Misamis was rehabilitated as a school division.

Inclusive of the Moro Province, there are now 36 school divisions, in charge of 4 ex officio, 4 acting, and 28 actual division superintendents. In the provinces of Benguet, Lepanto-Bontoc, Mindoro, and Paragua, the governor, in addition to his duties as such, performs those of division superintendent. All the other school divisions are in charge of actual or acting division superintendents, who devote their entire time to the schools within their jurisdiction. Division superintendents supervise the school work of their divisions, select municipal teachers and fix their salaries, nominate the Filipino teachers for insular appointment, pass on the efficiency of American teachers, recommend promotions, distribute supplies, account for school property, represent the bureau of education in provincial boards and municipal councils, encourage the construction of school buildings, maintain friendly relations with the people, and, all in all, perform a variety of important duties demanding judgment, tact, energy, courage, physical endurance, and a high order of executive ability. While the success of the school in each municipality, and therefore that of the schools of the province, depends largely on the individuality, the personality, the influence, and the industry of the teacher, credit can not and ought not to be withheld from the men who plan and supervise the work and hesitate at no sacrifice to keep the educational machine in motion.

Under Act No. 477 the salaries were fixed for the various school divisions according to their importance, and division superintendents received the salaries prescribed for the divisions to which they were assigned. At first this arrangement did not work disadvantageously,

but as vacancies occurred the making of promotions for merit occasioned so many transfers and such a disturbance of the entire supervisory personnel as to cause detriment to the service. In the appropriation bill for the current fiscal year salaries were detached from divisions, and the salaries of division superintendents receiving \$1,500 a year increased to \$1,600. This bill provides for 1 division superintendent, at \$3,000 per annum; 3 division superintendents, at \$2,500 per annum; 6 division superintendents, at \$2,250 per annum; 5 division superintendents, at \$2,000 per annum; 8 division superintendents, at \$1,800 per annum; 8 division superintendents, at \$1,600 per annum.

The salary of the superintendent of schools of the Moro Province has been fixed by the civil governor at \$4,000 per annum, in accordance with the act of organization, No. 787, and was not affected by the legislation just mentioned.

THE TEACHING FORCE.

The American teaching force at the opening of the school year 1902-3 was 926. At the beginning of the school year 1903-4 this number had fallen to 723, and by the time the Second Annual Report was written, in October, 1903, only 691 American teachers were available for duty. At first the bureau of education felt that it could get along with this reduced number of skilled instructors by not seeking to enlarge the field of operations and by confining its efforts to the perfection and development of schools already established. With the return of tranquillity to nearly all the provinces and the abatement of cholera and smallpox, interest in educational matters became so intense and the demands for more schools so insistent that the bureau saw itself obliged to abandon its conservative policy and to increase the number of American teachers to 812, with which number the school year closed in March, 1904.

The expiration of the contract period, the completion of three years of service, and the accruing of leave to visit the United States left less than 600 American teachers ready for duty when the schools opened about the middle of June of the present year. By the 15th of September, however, 723 regular and 49 temporary appointees were on duty, which number will be increased before the end of October by the return of 48 now on leave and the arrival of 36 new appointees. In the appropriation bill for the present fiscal year provision is made for 863 American teachers. The salaries of this force are graded as follows:

Superintendent of Insular Normal School.....	\$3,000
Superintendent of school of arts and trades.....	2,400
3 teachers, at \$2,000.....	6,000
8 teachers, at \$1,800, including superintendent of nautical school....	14,400
10 teachers, at \$1,600.....	16,000
50 teachers, at \$1,500.....	75,000
80 teachers, at \$1,400.....	112,000
60 teachers, at \$1,300.....	78,000
350 teachers, at \$1,200.....	420,000
50 teachers, at \$1,100.....	55,000
137 teachers, at \$1,000.....	137,000
113 teachers, at \$900.....	101,700
863	1,020,500

The average annual salary of American teachers is \$1,182.50, or \$98.54 per month.

The division of the teaching force into classes according to salary has put an end to indiscriminate raises of salary, and made possible a system of promotions which obliged the recognition of conspicuous merit. Whether an increase of compensation should be conceded to a teacher no longer depends on his individual record, but on his right to promotion after a careful comparison of his service with that of every other teacher in the bureau. As a consequence the pressure for raises of salary has been removed, and the danger of paying varying salaries to teachers rendering the same identical kind of efficient service has been reduced to a minimum. Teachers usually enter the service at \$900 or \$1,000 a year and receive promotion to the higher grades as vacancies occur and comparative merit may justify.

Excluding the technical schools, the work of the American teacher in the Philippines may be divided into two great classes, that of teaching in the provincial high schools and that of supervising and directing the primary work in the various municipalities. Stationed at the provincial capital or some other important town of the province and surrounded, as he usually is, by a small American community composed of teachers and other persons in the Government service, the lot of the high school teacher may be considered as reasonably comfortable and agreeable. The conditions under which teachers supervising primary instruction perform their duties are not so attractive. They are practically isolated from those of their own race in municipalities or, better said, townships, which cover many square miles of territory and include within their boundaries a multitude of barrios or hamlets, oftentimes far removed from the town center or poblacion. If municipal finances permit, the supervising teacher must organize a school in each barrio or hamlet, and that means that school accommodations must be secured, teachers provided, and supplies furnished. Then he must get the pupils for the school, and that he can do only when he has overcome local prejudice and gained the good will, the confidence, and the friendship of the people. And when all this is done, the real, trying, and strenuous life of the teacher has just commenced. In storm and in sunshine, in good weather and in bad, on foot or on horseback, in carromata or in banca, by land or by water, he must frequently visit all the schools within his jurisdiction and keep in intimate touch with the work confided to his care. It is needless to say that for such work women are unfitted and that service of such a character can only be discharged by men, and by men of strong constitution, stout hearts, unusual courage, firm resolution, infinite tact, and inexhaustible patience.

Yet, with all its hardships and its trials, all its difficulties and its tribulations, the life of the supervising teacher is not without its compensations. His tact, his patience, but, above all, his sturdy sense of justice and fair play, bring to him in time the warm friendship of those with whom he is thrown in daily contact, and their genuine regard consoles him to some extent for the loss of social intercourse with his own people. Almost every waking moment has its duty. The time passes quickly and he hardly notices its flitting until the long vacation arrives and gives him a chance for a change of scene and the opportunity to visit other points of the archipelago or oriental countries within convenient distance of the Philippines.

The American teaching force has now its body of seasoned veterans, who have lost the deadly feeling of homesickness, who have become accustomed to life in the Tropics, who understand the customs of the people, and who have cultivated a real, true, and abiding interest in local hopes and aspirations. The recruit is no longer surrounded by an atmosphere of discontent and unhappiness, but in the strength of his fellows of longer experience he finds encouragement and esprit de corps, which quickly remove his unreasonable fears and reduce to proper proportions the difficulties and troubles which he is expected to meet and overcome. The dissatisfied and the discontented have taken their departure and left to the service a corps of healthy-minded men and women, who are not daunted by the difficulties of their task, and rather pride themselves on their ability to bring about a successful result where failure might have been expected.

On September 1, 1903, the teaching service was brought under civil-service rules, and those teachers who were in the employ of the government on that date were listed as civil-service employees with the right to draw the salaries then received by them without the necessity of passing a civil-service examination. Teachers so "blanketed" into the classified service, however, are not entitled to promotion or advance in salary until they have passed the examination required by regulations. Five hours per day and five days a week is the minimum of service required of teachers during the school year of forty weeks. Two weeks of vacation are allowed at Christmas, and ten weeks during the heated term in the months of April, May, and June.

Although the long vacation gave to teachers a yearly period of rest double that allowed to other employees, it could not be accumulated, and was not of sufficient duration to enable the teacher to visit the United States without incurring an expense entirely disproportionate to the benefits received. As it was manifest that teachers ought to be given an opportunity to visit the home land for the purpose of preserving their health and renewing their strength, Act No. 1040, which took effect January 1, 1904, gave the character of leave to the long vacation and permitted teachers to visit their homes in the United States once in every three years on full pay during that period and half pay for sixty days additional. Teachers returning to duty after the enjoyment of leave for three years' service are entitled at the end of two years' additional service to the repayment of the traveling expenses incurred by them for the trip from their homes in the United States to Manila. Teachers appointed under Act No. 80, who have rendered continuous, faithful, and satisfactory service for three years, still enjoy the privilege on resigning of receiving half pay for thirty days and their traveling expenses from Manila to San Francisco. Those appointed since the passage of Act No. 1040 are not entitled to receive half pay or traveling expenses on acceptance of resignation. At this point it may not be inappropriate to remark that American teachers in the Philippines receive, on the average, 90 per cent more pay and enjoy more vacation twice over than teachers in the United States or anywhere else in the world.

Division superintendents are entitled to the same leave as other employees of the Government drawing the same salaries. Those receiving between \$1,600 and \$1,800 are entitled to 30 days accrued

leave and 28 days vacation leave. Those receiving \$1,800 a year and over are entitled to 35 days accrued leave and 28 days vacation leave. The 28 days vacation leave must be enjoyed during the calendar year, but at the end of three years' service may be added to the leave accrued, which, in the case of a division superintendent who has used none of his accrued leave and none of his vacation leave for the last year of service, would give from 118 to 133 days' leave on full pay, besides 60 days on half pay. Absences of teachers from duty are charged to their pay accounts, unless such absences are occasioned by illness, in which case the absences may be made up by service during vacation. All absences of division superintendents are charged to the vacation leave of 28 days, and when that period is consumed absences must be deducted from accrued leave.

Prior to the passage of Act No. 1040, teachers—as were all the other employees of the government—were entitled to draw full pay for a period of 60 days while absent on account of illness. So many abuses crept in under this privilege, and so great was the burden of extra duty imposed upon healthy teachers and other employees as the result of its operation, that the Commission was compelled to take away the privilege of drawing pay while sick. Employees other than teachers were compensated for the withdrawal of sick-leave privilege by the allowance of an annual vacation leave which could be consumed by reason of absence on account of illness or enjoyed by relief from duty, if the employee retained his health. The fact that this annual vacation leave was not extended to teachers worked them no injustice, inasmuch as the Christmas holidays and long vacation enjoyed by them covered a period of not less than 84 days—21 days more leave from duty than that allowed to the most favored of the other employees of the government.

FILIPINO TEACHERS.

The force of 900 American teachers with which the work of educating the Filipino began some three years ago was, of course, wholly insufficient to properly instruct the 100,000 or more children who were almost immediately enrolled in the schools. The resources of the government, however, did not permit the employment of many more American instructors, and it was evident from the very beginning that if the exigent demand for more help was to be met it would have to be supplied by the schools themselves. True, there were some two thousand and odd teachers in the schools on the termination of Spanish rule in the islands, but none of these teachers had any knowledge of English and many of them little knowledge of Spanish. Most of them had passed the stage when the acquisition of new methods was an easy matter, and as an entirety they were unfit to carry out a system of instruction which obliged not only the teaching of English, but teaching in English, and was otherwise radically different from that to which they were accustomed. The bureau of education, therefore, turned for assistance to the students themselves, and bent all its energies to the creation of a body of student teachers sufficient in number to give to all pupils in attendance the benefit of some instruction in the limited curriculum at first prescribed. The brightest young men and young women in each

The American teaching force has now its body of seasoned veterans, who have lost the deadly feeling of homesickness, who have become accustomed to life in the Tropics, who understand the customs of the people, and who have cultivated a real, true, and abiding interest in local hopes and aspirations. The recruit is no longer surrounded by an atmosphere of discontent and unhappiness, but in the strength of his fellows of longer experience he finds encouragement and esprit de corps, which quickly remove his unreasonable fears and reduce to proper proportions the difficulties and troubles which he is expected to meet and overcome. The dissatisfied and the discontented have taken their departure and left to the service a corps of healthy-minded men and women, who are not daunted by the difficulties of their task, and rather pride themselves on their ability to bring about a successful result where failure might have been expected.

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Although the long vacation gave to teachers a yearly period of rest double that allowed to other employees, it could not be accumulated, and was not of sufficient duration to enable the teacher to visit the United States without incurring an expense entirely disproportionate to the benefits received. As it was manifest that teachers ought to be given an opportunity to visit the home land for the purpose of preserving their health and renewing their strength, Act No. 1040, which took effect January 1, 1904, gave the character of leave to the long vacation and permitted teachers to visit their homes in the United States once in every three years on full pay during that period and half pay for sixty days additional. Teachers returning to duty after the enjoyment of leave for three years' service are entitled at the end of two years' additional service to the repayment of the traveling expenses incurred by them for the trip from their homes in the United States to Manila. Teachers appointed under Act No. 80, who have rendered continuous, faithful, and satisfactory service for three years, still enjoy the privilege on resigning of receiving half pay for thirty days and their traveling expenses from Manila to San Francisco. Those appointed since the passage of Act No. 1040 are not entitled to receive half pay or traveling expenses on acceptance of resignation. At this point it may not be inappropriate to remark that American teachers in the Philippines receive, on the average, 90 per cent more pay and enjoy more vacation twice over than teachers in the United States or anywhere else in the world.

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school were called to the aid of the American teacher, organized into a special class, and given a course of extra instruction daily after school hours.

In a few months these special students had sufficiently advanced to aid the American principal in the teaching of less advanced pupils. Of course they received frequent assistance in their work from the skilled American, and in the beginning whatever teaching was done by them was under his immediate supervision and control. At first the shyness and timidity of the student assistant made his efforts at instruction halting and unsatisfactory, but as he gained more confidence in himself and acquired a larger English vocabulary he became more certain and direct in his methods, and the teaching assistance rendered by him was real and substantial.

The daily instruction of the native teacher is supplemented each year by from five to eight weeks in normal-institute training, which serves to perfect him in the knowledge of subjects taught and methods of teaching. After three years of this kind of training it has ceased to be necessary for the American teacher to supervise practically every movement and action of his assistant. The student teacher has become the municipal teacher, can be trusted to maintain discipline, and may be safely left to himself for a large portion of the time while engaged in the work of instruction.

English has now become the language of the primary school, and from the time the student enters the school he hears and speaks no other tongue.

On September 15, 1904, the corps of student teachers had furnished a force of native municipal teachers consisting of 2,138 men and 1,057 women. Had the attendance remained what it was in October of last year this number of teachers, added to the American force, would have been reasonably sufficient for the needs of the service, but the 200,000 students enrolled when the second annual report was rendered have increased to about 264,000, and the bureau of education is still obliged to depend on the aid of the student teacher or aspirante in order that the work of instruction may be carried on with satisfactory results. The following table, compiled on August 1 of this year, shows the number of Filipino teachers, male and female, employed in each province, the monthly and average salaries received, and the totals expended for salaries.

Province.	Filipino teachers.			Average salary.			Amount expended for salaries.		
	Male.	Female.	Total.	Male.	Female.	Mean.	Male.	Female.	Total.
Manila	105	62	167	P72.67	P70.16	P71.90	P91,324.20	P32,542.80	P143,867
Albay	30	24	54	29.17	28.12	28.17	10,301.20	8,236.80	18,538
Sorsogon	16	9	25	29.37	30.55	29.80	6,358.04	1,581.96	8,940
Camarines	45	35	80	22.67	20.43	21.70	13,441.80	6,380.20	20,822
Batangas	68	31	99	22.53	20.10	21.77	18,384.48	7,478.50	25,863
Bulol	76	53	129	8.78	8.02	8.46	8,657.36	5,100.64	13,758
Bulacan	77	43	120	24.66	22.91	24.03	22,785.84	11,817.16	34,603
Cagayan	54	40	94	18.31	14.75	16.85	11,860.88	7,141.12	19,002
Isabela	19	10	29	21.05	14.40	18.76	3,799.40	1,728.00	5,528
Capiz	37	7	44	19.62	22.14	20.02	7,511.24	1,859.76	9,371
Cavite	55	29	84	22.76	20.58	22.01	15,024.16	7,161.84	22,186
Cebu	115	74	189	11.21	11.78	11.43	15,468.80	10,460.20	25,929
Ilocos Norte	71	29	100	11.74	12.36	11.91	10,000.48	4,905.52	14,906
Ilocos Sur	108	61	169	14.13	14.18	14.15	18,312.48	10,983.52	29,296
Abra	6	9	15	13.00	10.80	11.73	938.00	1,175.00	2,113
Iloilo	105	61	166	17.41	14.75	16.42	17,936.60	14,772.40	32,709
Laguna	108	54	162	23.06	23.41	23.20	29,885.76	15,217.24	45,103

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	Male.	Female.	Total.	Male.	Female.	Mean.	Male.	Female.	Total.
Antique.....	26	15	41	P11.50	P10.18	P11.24	P3,588.00	P1,042.00	P5,530
Union.....	34	12	46	16.33	18.25	16.98	6,744.24	2,427.76	9,372
Leyte.....	63	33	96	21.30	18.36	20.29	16,102.80	7,271.20	23,374
Masbate.....	20	9	29	13.00	17.22	14.31	3,120.00	1,770.00	4,890
Samar.....	23	14	37	15.35	15.71	15.49	4,236.60	2,639.40	6,876
Misamis.....	39	78	117	20.00	20.00	20.00	9,360.00	18,720.00	28,080
Nueva Ecija.....	53	9	62	18.78	15.00	18.17	12,064.08	1,499.92	13,564
Nueva Vizcaya.....	17	13	30	12.29	10.69	11.60	2,507.16	1,674.84	4,182
Negros Occi- dental.....	81	25	106	18.22	17.88	18.14	17,709.84	5,364.16	23,074
Negros Ori- dental.....	89	41	130	11.07	8.26	10.19	11,822.76	4,073.24	15,896
Pampanga.....	80	30	110	24.93	23.63	24.57	23,932.80	8,499.20	32,432
Bataan.....	13	3	16	25.00	25.00	25.00	3,900.00	900.00	4,800
Pangasinan.....	110	33	143	17.72	18.92	18.00	23,390.40	6,497.60	30,888
Rizal.....	61	46	107	28.63	23.59	26.13	20,521.56	13,029.44	33,551
Romblon.....	19	10	29	16.66	15.80	16.37	3,798.48	1,898.52	5,697
Surigao.....	36	23	59	14.00	9.00	12.00	6,048.00	2,449.00	8,496
Tarlac.....	46	5	51	19.15	16.60	18.90	10,571.00	996.00	11,567
Tayabas.....	64	41	105	26.17	25.73	26.00	20,698.56	12,661.44	32,760
Zambales.....	39	8	47	9.92	11.37	10.17	4,612.06	1,092.94	5,705
Mindoro.....	29	10	39	16.04	17.50	16.41	5,980.00	2,100.00	8,080
Paragua.....	4	4	8	7.50	7.75	7.62	300.00	372.00	732
Total.....	2,080	1,054	3,134	20.76	20.99	20.61	511,838.06	265,430.94	777,329

This table does not include the student teachers or aspirantes, who are rendering valuable teaching service without pay or for a nominal wage. The increased attendance, the expectation of its further increase, and the fact that no inconsiderable number of teachers find more remunerative employment in other branches of the service create a constantly increasing demand for aspirantes from whom the native teaching force may be recruited as attendance increases and the number of native teachers diminishes.

The whole teaching force was constituted on September 15, 1904, as follows: 772 American teachers, at an average salary of \$1,182.50; 284 insular native teachers, at an average salary of \$300; 3,195 municipal teachers, at an average salary of \$120; apprentice teachers serving without pay or for a nominal compensation; pupil monitors, without pay.

PRIMARY SCHOOLS.

The primary course covers a period of only three years, and it can well be imagined that the curriculum is confined to essentials and designed to give the student only such information as may be absolutely required to properly meet the exigencies of a workaday life should necessity oblige him to terminate his studies and begin an early struggle for existence.

Even if the conditions of life in the Philippines were not such as to require that the very young should contribute their labor to the support of the family, other considerations would force the shortening of the period of primary instruction and the limitation of the course of studies almost to the indispensable. It is estimated that the children of school age number not less than 1,200,000, the overwhelming majority of whom must receive instruction between the ages of 6 and 14 or not at all. The finances of the government will be strained to the breaking point to furnish at any one time supplies, school accommodations, and teachers for one-third of that number. If, then, two-thirds of the children of school age are not to be left wholly illiterate,

it is evident that the time for elementary instruction must be so reduced that all may receive some instruction before passing the age limit. Moreover, owing to the very limited number of American teachers, the burden of imparting primary instruction must fall on the native teacher, who has his limitations and can not be expected at this stage of the proceedings to properly cover a very wide range of educational subjects.

In view of all this the period of primary instruction has been fixed at three years, which will be devoted to the reading, writing, and speaking of English, and to the study of elementary arithmetic, the elements of geography, music, and drawing, character and physical training. Tool and gardening work for the boys and sewing and housekeeping for the girls are features of the primary course. The older boys, whose circumstances preclude the continuance of their studies beyond the primary course, will be given instruction in local government and Philippine history. It is not expected that the plan of primary instruction will equip students for a professional career or that it will fit them even for entrance to a high school course, but it is expected that the course of elementary instruction imparted, short and meager as it may be, according to American standards, will in the course of ten years practically eliminate illiteracy among the rising generation, and will give to those who can not afford to spend more than three years in school a knowledge of essentials, and a moral, physical, and mental training sufficient to equip them for the modest demands of a modest life.

INTERMEDIATE SCHOOLS.

For those students who have completed the primary course and who can afford to spend more time in school an intermediate course of instruction has been provided. This course, which covers a period of three years, is designed to complete elementary instruction, to fit the student to struggle advantageously with the practical problems of life, and to prepare him for entrance to the secondary schools should he find it possible to continue his studies for a longer period than six years. The first year of this course is devoted to the elements of grammar and composition, selected reading, the fundamentals of integers and fractions, world geography, with special attention to peoples and products of different countries, the study of familiar plants of the Philippines, agriculture for the boys, and housekeeping and plain sewing for the girls.

During the second year the study of language, grammar, and arithmetic is continued. An intermediate language book is introduced and readings from Philippine history commenced. Attention is given to decimals and the metric system, and the course in geography is completed by the study of volcanoes, earthquakes, monsoons, typhoons, coral formation, wet and dry seasons, the physical features of land and water, and by special instruction in the physiography and meteorology of the Philippines. Science studies are confined to lessons on animal life in Malaysia and to a course for boys in elementary agriculture, with special emphasis on the cultivation of economic Philippine plants. The girls are trained in housekeeping and special attention is given to the cooking and serving of meals.

In the third year of the intermediate course the study of arithmetic and the elements of grammar is completed. The reading of epic tales and stories from history is made a feature and special attention is given to commercial operations. Instruction will be given in physiology, anatomy, and hygiene, and some study will be made of epidemic and tropical diseases. Boys will receive training twice a week in carpentry and ironwork, and useful information in house-keeping and care of the sick will be given to the girls for the same period. Instruction in music and drawing, for which the native peoples have considerable aptitude, will receive attention throughout the course.

Finally, the classes will be organized into municipal councils, provincial boards, and legislative assemblies, and will make themselves acquainted with the municipal and provincial codes, the instructions of President McKinley, the acts of Congress affecting the archipelago, and the existing form of government in the islands. Auxiliary to this political instruction, papers will be read on the government of the United States, American politics, parliamentary law, and the government of colonies by European states.

The Filipinos are a sentimental, almost a poetical, but scarcely a practical people. They will freely sacrifice life itself for an abstraction, and at the same time turn aside from the prosaic work of commonplace preparation which would make the sacrifice unnecessary and give form and substance to the abstraction. Their temperament predisposes them to dwell too much on their expectations of the future and too little on the live, exigent problems of the present. Great emphasis is therefore laid on the severely practical by the bureau of education and but little attention is paid to classical studies. While this will be a distinct shock to many American educators, it is, after all, the only wise course to pursue if lack of initiative and a too pronounced tendency to idealize are to be corrected.

SECONDARY SCHOOLS.

Provision was made by Act No. 372 for the establishment of provincial high schools in the various provinces. The salaries of teachers, the expense of supplies, and to some extent that of equipment, are paid by the insular government, and will continue to be paid until such time as the provinces are in financial condition to assume the burden.

From the necessities of the case these schools have hitherto been engaged principally in the work of intermediate instruction. During the present school year, however, intermediate instruction will be remanded as speedily as possible to the central municipal schools, and the provincial high schools will be left to devote themselves exclusively to the purpose for which they were organized. They are the centers of the provincial educational system, and as time passes they will perform all the functions not only of high schools, but also of training schools and colleges for the provinces. Thirty-eight provincial high schools are now completely organized in 35 of the provinces. These schools are supplied with American instructors in the proportion of about 1 teacher for every 50 pupils. It has already been remarked that the policy of the bureau of education

was to confine the primary and intermediate courses of study to the bare essentials of elementary education. The secondary course of instruction is more ambitious and aims to fit the student for entrance to standard American colleges or the undergraduate university courses and to give him at the same time sufficient training to follow with advantage to himself some useful calling or vocation adapted to the economic conditions of his province should he choose to discontinue his studies. The secondary course covers a period of four years, and includes a course in literature, history, and the sciences, a course in teaching, a course in commerce, a course in geography, and a course in the arts and crafts. On matriculating in the provincial school each student must elect the course which he will pursue, and once selected he will not be at liberty to change it except by special permission of the division superintendent. The course in literature, history, and the sciences covers a period of four years, which will be devoted to the study of English literature, history, the elements of algebra and geometry, and an optional course in Latin, Spanish, or French. The course in teaching covers a period of only two years, during which, in addition to instruction in literature, history, and the sciences, instruction will be imparted in the theory and practice of teaching. The course of commerce covers a period of four years, and in addition to the instruction in literature, history, and the sciences, includes the study of bookkeeping, mercantile arithmetic, commercial geography, Spanish, French, or some other modern language, and commercial law. In the second year of the course of commerce the pupil may elect to take up the study of stenography or telegraphy. The course in agriculture will embrace three years of literature, history, and the arts and sciences, with special attention to botany, anatomy and physiology of animals, physiography, and meteorology, and four years of theoretical and practical agriculture. Two years will be devoted to the course in arts and crafts, and, in addition to practical wood and metal working, instruction will be given in English, mathematics, and mechanical drawing. The Philippine Normal School and the Philippine School of Arts and Trades furnish to those taking the teaching course and the course in arts and crafts an opportunity for further and more advanced study.

PHILIPPINE NORMAL SCHOOL.

The Philippine Normal School is located in the city of Manila, and occupies an assembly hall, 14 class rooms, and 2 laboratories in the exposition grounds. During the last school year a dormitory for girls residing in the provinces was established at 168 Calle Nueva, Ermita. At the beginning of the present school year the demands for accommodations in the dormitory had so increased that an additional building had to be rented in order to furnish quarters for the full number of young women desiring to pursue their studies at the normal school. Both these buildings will be vacated about the 1st of November, 1904, and the occupants transferred to a new building especially erected for the use of the dormitory.

The normal school was organized under the provisions of Act No. 74 for the purpose of furnishing trained and skilled native teachers to the insular public schools. Five hundred and twenty-seven students are now enrolled, 360 of whom are boys and 167 girls, with an

average attendance of 451, 304 of whom are boys and 147 girls. The course of study at the normal school covers a period of four years and embraces the following subjects: English, arithmetic, geography, drawing, music, United States history, Philippine history, nature study, physiology and hygiene, algebra, general history, botany, physics, and professional training as a teacher.

THE PHILIPPINE SCHOOL OF ARTS AND TRADES.

The Philippine School of Arts and Trades was organized in 1901, and began its work of instruction under adverse circumstances. It started practically without any adequate equipment for industrial work, and was handicapped at the very beginning by what might be called a caste prejudice to manual labor. Students had to be coaxed to enter the school, and once they had entered considerable difficulty was experienced in retaining them. With the furnishing of a sufficient number of trade teachers and the supplying of an adequate equipment for practical instruction in trade work new life was given to the school, and instead of offering inducements to students to enter the superintendent has been compelled to refuse admission to 75 applicants on account of lack of space. The school is located in one of the old Spanish buildings situated on the exposition grounds, and has accommodations reasonably sufficient for 150 pupils. By conducting day and night classes, however, instruction is given to 270 pupils. The course of study covers a period of four years, and includes instruction in elementary English, geography, history, arithmetic, simple bookkeeping, algebra, complete plane geometry, and, at the option of the student, a course in architecture, blacksmithing, carpentry and cabinetmaking, mechanics, plumbing, steam engineering, stenography and typewriting, or telegraphy. The following table will show the relative preferences of the students in September, 1903, and September, 1904, for some of the branches taught in the school:

Day classes.

	September,		Increase.	Decrease.
	1903.	1904.		
English branches	110	150	40	.....
Drawing	67	120	53	.....
Metal work	11	44	33	.....
Wood work	51	70	19	.....
Telegraphy	37	30	.....	7

In addition to the students in attendance on the day classes there are 120 students in attendance on the night classes, whose preferences for the several branches taught may be shown by the following returns for the month of September, 1904:

English branches	32
Drawing	30
Metal working	17
Telegraphy	41
Total for evening classes	120

In September, owing to the illness of the teacher in charge, there was no wood-working class. That widespread interest is taken in this school is shown by the number of provinces which furnish pupils to it. The distribution of pupils by provinces is as follows:

Albany -----	4	Leyte -----	1
Ambosé Camarines -----	1	Manila -----	72
Bataan -----	1	Nueva Ecija -----	1
Batangas -----	3	Pampanga -----	4
Bulacan -----	12	Pangasinan -----	4
Cagayan -----	1	Rizal -----	10
Cavite -----	2	Samar -----	1
Ilocos Norte -----	6	Sorsogon -----	1
Ilocos Sur -----	3	Tayabas -----	6
Isabela -----	1	Zambales -----	6
La Laguna -----	5		
La Union -----	5	Total -----	150

The average attendance of this school during the school year 1903-4 was 92 per cent. In June, 1904, it was 93 per cent; July, 1904, 93.2 per cent; August, 1904, 95.5 per cent; and in September, 1904, 96.1 per cent.

All students are required to take English and mathematics. Those students who elect the course in wood or iron working are obliged to take architectural and mechanical drawing. Excepting 6 students, who have elected to take a course in drawing and the mechanical branches, all students are obliged to take the machine-shop practice.

The school has furnished 1 telegrapher to the Manila Observatory and 6 sergeants, 9 corporals, 10 first-class privates, and 13 second-class privates to the Philippine Constabulary for service as telegraphers. It has also furnished 3 teachers of drawing to the Manila schools, 1 assistant teacher of drawing to the trade school, 1 draftsman to the coast and geodetic survey, and 1 draftsman to an architect engaged in private business in Manila.

Three lathes, 2 of which are engine lathes, 1 shaper, 1 milling machine, 1 upright drill, 1 sensitive drill, 1 cutter and reamer grinder, 1 twist-drill grinder, 1 wet-tool grinder, and a good assortment of hand tools for those taking the course in mechanics have been added to the iron-working equipment. One surface planing machine, 1 circular sawing machine, 1 band sawing machine, 1 pattern-maker's lathe, 6 wood-turning lathes, with necessary chisels and gouges, 1 power grindstone, and an assortment of bench tools and wood-carving tools, sufficient for a class of 24, have been added to the equipment of the wood-working department. Power for the various machines is furnished by two kerosene engines, respectively, of 6 and 8 horsepower.

The city of Manila has recently appropriated the sum of 50,000 pesos, or \$25,000 United States currency, for the erection of a building for the use of the Trade School. The building will be located in the Santa Cruz district, near the center of the Filipino population and on the line of the new electric railway. The site has an area of 7,787.50 square meters and will give ample room for future development and growth.

THE PHILIPPINE NAUTICAL SCHOOL.

The Philippine Nautical School was established in 1839 by the board of commerce, and, as its name implies, its purpose is to give

theoretical and practical instruction in navigation. The original home of the institution was destroyed by the earthquake of 1863, and since that time the school has suffered three changes of location. Its present location is at No. 97 Calle Santa Elena, district of Binondo, in the city of Manila. With the change of sovereignty the school passed to American hands, and Lieutenant-Commander Coltman, Lieutenant Cooper, Lieutenant Townley, and Lieutenant-Commander Knapp, of the United States Navy, were successively placed in charge. Under the administration of Lieutenant-Commander Knapp English textbooks and American methods of instruction were introduced, and the school reached a very high degree of excellence. When Commander Knapp was relieved from duty in the Orient by the Navy Department, Lieutenant-Commander Glennon was detailed for duty as superintendent of the school and rendered excellent service until November 1, 1902, when he was relieved from duty. Since his relief the bureau of education has been unable to secure the services of a naval officer as superintendent. From 1903 until the end of the last school year the assistant superintendent was in charge of the school and carried on the work of theoretical instruction along the lines prescribed by his predecessors. At the beginning of the present school year Mr. C. L. Jenkins was placed in charge of the school.

The school is well equipped with nautical instruments, and has a good telescope, tellurians, celestial and terrestrial globes, maps, charts, and other supplies. It is poorly housed, however, and as soon as insular finances permit a vessel of sufficient size should be secured as a home for the school and for the purpose of giving the students practical instruction in seamanship. The course prescribed is four years, and is as follows:

First year: Arithmetic, algebra, plane geometry, geography, English, and seamanship.

Second year: Algebra, plane and solid geometry, plane trigonometry, physics, geography, drawing, English, and seamanship.

Third year: Spherical trigonometry, physics, electricity and magnetism, physiology and hygiene, astronomy, navigation and nautical astronomy, seamanship, and English.

Fourth year: Chemistry, Philippine and United States history, navigation and nautical astronomy, English, and seamanship.

To secure the proper physical development of the pupils, setting-up exercises, infantry and seamanship drills, fencing and singlestick are prescribed, and boxing, football, and baseball encouraged. The students display great proficiency in mathematics, and evince a very commendable interest in their chosen specialty. The school enrollment is 121 and the average attendance 115, or 95 per cent of the enrollment.

SCHOOLS IN THE MORO PROVINCE.

Public instruction in the Moro Province presented problems so radically and essentially different from those of other parts of the archipelago that the province was left almost educationally independent by the act providing for its organization and government. The act provides for the appointment of a superintendent of schools and confers upon him, not only all the powers of a division superintendent, but also many of those exercised by the general superintendent under the

plan of organization prescribed for other provinces. It is the duty of the superintendent of the Moro Province to establish schools in the various municipalities, rancherias, and townships of the province whenever practicable; to define school districts and provide for them principal teachers; to appoint native teachers; to fix the salaries of American and native teachers; to prescribe a curriculum for primary, industrial, and secondary schools; to select school sites and supervise the construction of school buildings thereon, and to exercise general supervision over school work in the province. He is only dependent on the bureau of education to the extent that American teachers must be appointed by the general superintendent, and that he must make a report of his administration to the last-named official in January and July of each year. In a word, the superintendent of schools for the Moro Province was given a free hand, and such a course was necessary in view of the social conditions in his jurisdiction and the character of the people with whom he had to deal. The population is made up of Christians, Mohammedans, and pagans, and none of them is particularly predisposed in favor of the public schools. The parochial school, under the able and beneficent management of the Jesuit order, attracts and holds the Christian; the Moro regards the public school with suspicion and hesitates whether to accept or reject it; the pagan is satisfied with the geography of his haunts and his own crude methods of addition, subtraction, and division. What schools should be established, how they should be conducted, and what class of information should be imparted by them has therefore been left to the judgment of the local authority best fitted to solve the problems presented by local conditions. Notwithstanding the difficulties of the situation, 52 schools are now in operation in the Moro Province, 10 of which were established during the last school year. Fifteen American and 54 native teachers are now on duty in the various schools and are making just such progress as might be expected under all the circumstances. Nine of the native teachers are Mohammedans. Within the past few months a secondary school has been established at Zamboanga. For some time to come the principal aim of this school will be the creation of a sufficient number of native teachers to supply the requirements of the province. The total enrollment of the 52 schools is 2,114, of which number 1,289 are boys and 825 are girls. One thousand seven hundred and sixty-four of the students enrolled are Christians, 240 are Mohammedans, and 110 pagan Bagobos. The whole cost of public instruction is borne by the province. For the nine months ending July 1, 1904, the legislative council appropriated ₱85,230.85 for educational purposes. Of this sum only ₱46,898.17 was expended, leaving a balance of ₱38,341.68 unexpended.

PAGAN SCHOOLS.

The lack of interest shown in schools by the pagan tribes of the Moro Province does not exist among the pagan tribes of Luzon. The schools established for Igorrotes at Cervantes and Alilem, in Lepanto-Bontoc, and at Baguio, Benguet, it is true, have met with only a fair degree of success, but that better results were not obtained is rather due to want of teachers and school accommodations than to want of interest among the Igorrotes.

The schools established among the pagan Tinguianes of Abra promise to be as successful as any of those established among Christian Filipinos. The Tinguianes are a gentle, kindly disposed, and industrious people. They dislike the Christian Ilocanos, who are their neighbors, but seldom, if ever, manifest their aversion by violence. They own large numbers of cattle and horses, and many of them are better off in worldly goods than the Ilocanos, who are disposed to regard them as their inferiors. Noting the establishment of schools in the bordering province of Ilocos Sur, they desired that similar advantages should be extended to them. Their petitions were disregarded at first, and they then had recourse to Mr. Commissioner Worcester, who had always taken a kindly interest in their affairs. Through his influence and representations, the bureau of education was induced to send American teachers to some of the Tinguian villages, and the results achieved have fully justified the experiment. There are at present 16 insular and 25 municipal teachers employed among the Tinguianes, and in September of this year the number of students enrolled was about 2,500. Some of the rancherias to which it was impossible to assign insular teachers have engaged native teachers on their own account and pay salaries in rice and chickens.

STUDENTS SENT TO THE UNITED STATES.

There are now in the United States 100 students who are receiving an education in various schools and colleges at the expense of the insular government. For special and detailed information as to these students, the course of studies which they are pursuing, and the progress made by them reference is made to the report of Mr. William Alexander Sutherland, who is in charge of such students, which report is annexed hereto, marked "Exhibit B," and made a part hereof.

For the fiscal year 1905 the Commission, by resolution dated February 26, 1904, authorized the sending of 40 additional Filipino students to the United States for a four years' course of instruction at the expense of the insular government. In accordance with the provisions of Act No. 854, an examination of candidates for appointment was duly held in the month of April. At this examination only 10 succeeded in passing. The 10 so passing received their appointments in accordance with law, and were sent to the United States in charge of Mr. and Mrs. Swindell in the month of August. A second examination of candidates was held in September, and 24 of the candidates received the required percentage and will be sent to the United States as soon as they report at Manila and pass the necessary medical examination.

The table following shows the number of primary, intermediate, provincial, and technical schools, the number of schoolhouses, the number of American, insular, native, and municipal teachers in each province, and the population, school population, school enrollment, and school attendance of each province.

Division.	Number of schools.				Number of teachers.				Popula- tion.	School popula- tion.	Enroll- ment.	Attend- ance.				
	Day.				Native.											
	Pri- mary.	Inter- medi- ate.	Pro- vincial.	Tech- nical.	Total.	Night.	Total.	Number of school houses.	Ameri- can.	Insular.	Muni- cipal.	Total.				
Albay and Sorsogon	50		2		52	9	61	21	31	7	79	117	390,021	72,164	7,000	6,300
Camarines	69	1	2		63	7	70	18	26	10	80	116	229,405	47,881	6,880	5,430
Batangas	61	3	1		65	12	77	6	23	7	90	129	257,715	51,343	6,543	5,470
Benguet	3				3		3									
Bohol	148		1		149	7	156	127	23	13	129	165	290,223	53,844	23,000	13,000
Bulacan	94	1	1		96	15	111	23	25	9	129	154	223,742	44,748	11,657	8,202
Cagayan and Isabela	77		1		78	3	81	23	22	5	123	130	252,670	46,533	4,629	4,435
Capiz	67		1		68	5	73	41	19	10	44	73	131,721	40,144	8,167	6,974
Cavite	56		1		57	11	68	33	23	9	29	61	134,779	26,955	7,578	6,429
Cebu	155		1		156	14	170	68	32	16	189	237	653,727	130,745	16,272	9,330
Ilocos Norte	83		1		84	10	94	60	24	13	100	133	178,965	36,779	12,108	10,215
Ilocos Sur and Abra	181	1	2		184	14	197	61	30	14	169	213	280,061	47,818	16,000	11,000
Iloilo and Antique	73		2		75	13	88	87	52	17	207	276	544,481	88,896	18,000	12,142
Laguna	84		1		85	10	95	53	25	10	162	197	148,006	29,721	11,874	8,742
Leyte	71		1		72	7	79	62	28	8	96	132	288,622	77,784	9,600	7,082
Lepton-Bontoc						1	8	3	4			4				
Manila	36		3	3	42	248	247	24	96	8	167	267	219,028	43,083	6,773	5,672
Masbate	29		1		30	5	35	24	8	8	107	129	43,675	8,725	2,300	1,800
Mindoro	28				28	1	29	38	6	5	39	45	136,329	27,916	2,114	2,200
Misamis	66				67	2	69		3	2	117	122	138,259	27,696	611	427
Moro	48				49		49		15		56	71	41,149	8,229	1,182	1,382
Ocidental Negros	69		1		70	13	83	48	38	11	106	155	386,272	61,654	12,000	8,243
Oriental Negros	70		1		71	7	78	54	18	7	130	156	201,494	40,268	9,317	8,131
Nueva Ecija	43		1		44	10	54	22	15	4	62	84	134,147	26,829	2,279	3,083
Nueva Vizcaya	15		1		16	3	19	10	7	4	126	165	270,513	51,107	9,197	7,400
Pampanga and Bataan	82		2		84	14	101	49	29	10	143	187	347,062	75,580	12,197	9,100
Panay	96	1	1		101	14	115	41	29	14	8	12	35,086	7,130	857	446
Paraguas					9		9	7	4							
Rizal	58				60	11	71	14	21	8	107	136	150,923	30,184	7,594	6,834
Romblon	20		1		21	4	25	18	10	3	29	42	52,848	10,539	2,800	2,500
Samar	49		1		50	3	53	34	18	4	37	50	296,257	53,347	21,160	18,261
Sarangani	54		1		55	3	58	65	13	5	59	77	115,112	23,021	2,431	1,736
Surigao	32		1		33	6	39	29	16	7	57	74	135,707	27,921	3,600	3,300
Tarlac	27	3	1		30	6	36	44	28	18	105	151	234,730	40,947	10,000	8,500
Tayabas	40		1		41	4	45	34	17	10	46	73	157,830	27,597	5,911	4,453
Union	40				40	4	44	34	9	8	47	64	104,540	20,923	2,700	2,250
Zambales	29				29		29	17								
Total	2,253	12	38	3	2,296	400	2,743	1,452	767	298	3,190	4,265	7,163,400	1,432,704	263,558	183,146

^a Enrollment and attendance are of August 1, 1904.

^b Includes recently built barrio schools.

^c Small attendance due to recent military operations.

SCHOOL BUILDINGS.

The question of furnishing proper and permanent accommodations for school children continues to demand the serious attention of the bureau of education. During the Spanish régime little if any consideration was given to public instruction in the barrios removed from the municipal center, and as a consequence the erection of barrio school buildings was never attempted. The construction of school buildings was almost wholly confined to the municipal centers, and of those not much more than half were provided with school accommodations owned by the municipality. At the time of American occupation 374 of the 734 municipalities were provided with school buildings. These buildings, 534 in number, were located on the plazas of the various municipalities, and were built in most cases of wood and stone. Many of the municipalities were provided with two school buildings, one for boys and one for girls. The structures were not of modern type, and besides being poorly lighted were seldom of a size sufficient to accommodate a fraction of the school population residing in the immediate vicinity, to say nothing of the school children who lived in the barrios. Many of these schoolhouses were damaged during the course of the war, some of them destroyed, and others rendered unfit for use by decay. Nearly all of the damaged buildings have been repaired, and substantially all those destroyed or decayed have been restored sufficiently to permit of their use by the bureau of education.

Between the date of change of sovereignty and December, 1903, 369 new school buildings were built, 40 of which were of "strong materials." Between January and July of this year 395 additional schoolhouses were in course of construction or had been actually completed, most of them having hard-wood frames, nipa or grass roofs, and bamboo walls and floors. This class of construction was adopted because it was within the capacity of ordinary native labor, comparatively inexpensive, and allowed the gradual substitution of permanent roofs, floors, and walls as financial conditions permitted. About 205 additional school buildings have been contracted for, but work upon them has not been commenced as yet. To aid in the building of school structures, rice purchased out of the Congressional relief fund was issued to the provinces of Capiz, Ilocos Norte, Batangas, Rizal, Laguna, Cebu, and Zambales. With the rice so issued Ilocos Norte has completed or has under contract 77 barrio schools; Batangas, 70 barrio schools, and Cebu, 40 municipal and barrio schools. The walls of the recently constructed Cebu school buildings are of lime plaster laid on a framework of bamboo, and in so much they differ from the plan of construction adopted in other provinces.

The following statement will show the number of schoolhouses owned by municipalities and actually completed or in course of construction:

Serviceable schoolhouses of Spanish construction.....	534
Built under American rule prior to December 31, 1903	369
Already built or in course of construction since January 1, 1904.....	395
Total.....	1,298

The buildings erected since American occupation and those which are in the course of erection are located principally in the barrios where it was practically impossible to secure school accommodations in any other way. In municipal centers the schools are usually housed in rented buildings, or in private residences loaned for the purpose. A few convents are occupied by schools, but in no case is such occupancy permitted against the objections of the church authorities, and positive instructions have been given to vacate any such buildings whenever objection is made to their further use by the bureau of education.

Busy as have been the municipalities with the work of school construction during the past year, their activity has not excelled that of the provinces of which they are constituent parts. Most of the provincial schools are located at present in rented buildings or in provincial or municipal buildings loaned for the purpose. Since the first of the year a steady effort has been made by provincial boards to secure adequate sites for their high schools and to gather together sufficient funds to construct thereon the necessary buildings. Sites from 6 to 8 acres in area have been secured by Albay, Batangas, Ilocos Sur, Occidental Negros, Oriental Negros, Romblon, and Sorsogon, and the sum of P163,021.23 is now available for the erection of suitable buildings, distributed as follows:

Albay	P35,000.00
Batangas	50,000.00
Ilocos Sur	20,000.00
Occidental Negros	20,000.00
Oriental Negros	20,000.00
Romblon	8,000.00
Sorsogon	10,021.23

Bataan, Bohol, Bulacan, Camarines, Leyte, Masbate, Nueva Ecija, Nueva Vizcaya, Pampanga, Pangasinan, Surigao, Tayabas, Union, and Zambales have secured the offer of sites, but have not as yet made a selection. These provinces have not sufficient money on hand to begin the work of building, but if the Commission sets apart \$200,000 of the Congressional relief fund for school construction, as has been proposed, these provinces and others without proper provincial high school accommodations will be enabled to obtain them, in all probability, before the end of the next school year.

Cagayan, Capiz, Cavite, Ilocos Norte, Mindoró, and Tarlac are already provided with high school buildings, which are either owned by the province or the municipality in which the school is located.

Antique, Cebu, Paragua, Rizal, Samar, Iloilo, and Isabela have neither sites nor money sufficient to erect high school structures, and it is expected that for some time to come they will be compelled to rent accommodations. Should the grant of \$200,000 from the Congressional relief fund be made, however, it is possible that their proportion of it will enable them to secure their own school quarters.

The Moro Province and Manila are in sound financial condition, and steps have already been taken for the erection of modern secondary schools.

COST OF PUBLIC INSTRUCTION.

The cost of public instruction to the insular government from July 1, 1901, to July 1, 1904, was as follows:

Fiscal year 1901-----	\$233, 411
Fiscal year 1902-----	1, 194, 381
Fiscal year 1903-----	1, 400, 563
Fiscal year 1904-----	1, 244, 096
Total -----	4, 072, 451

The maximum amount expended was in the year 1903 and the minimum amount in 1901. The small amount expended in 1901 was due to the fact that the number of American teachers on duty in that year was not large. During the last school year the cost of public instruction was \$155,467 less than that incurred during the year which immediately preceded it. This reduction in expense was due wholly to the fact that the bureau of education managed to struggle along with a less number of American teachers. In 1902 the outlay for schools represented 15.6 per cent of the total expenditures. In 1903 it was 13.2 per cent and in 1904 11.1 per cent.

The total amount expended by municipalities for schools is ₱1,004,448.12, or \$502,224.06 gold, which, added to the insular expense of \$1,244,096 gold, gives a total expense of \$1,746,320.06 gold for public instruction during the last fiscal year.

Of the total amount paid out for schools since 1901 nearly \$3,200,000 has been expended for salaries and a little less than \$900,000 for supplies. About two-thirds of the municipal school funds are required to pay native teachers' salaries, and the balance is expended on buildings and necessary school furniture.

Taking 7,000,000 as the Christian population of the islands, the total insular and municipal expense for schools for the last three years has not averaged more than 25 cents gold per capita per year. On the basis of an average enrollment of 215,000 during the year 1904, the cost per student was about \$8.12 gold. If the present enrollment of about 264,000 continues until the end of the year and the entire appropriation is expended, the cost per student will be about \$6.60 gold, and should the enrollment reach 300,000, as it now bids fair to do, the cost per student will be correspondingly diminished.

Cuba, in the fiscal year 1902, with a total population of about 1,600,000, a school enrollment of 160,000, and a force of nearly 3,500 teachers, expended, exclusive of repair and construction of school-houses, \$2,644,556.77 for public instruction, or \$1.66 per capita of population, or \$16.65 per student.

Porto Rico, with a population of 950,000, a school enrollment of 70,216, and a teaching force of 1,220, expended in the fiscal year 1903 \$801,912, or a little over 84 cents per capita of population, and about \$11.42 per student. Whether the expenses for Porto Rico include construction of school buildings and repairs can not be stated.

Japan, with a population of 50,000,000, about seven times that of the Philippines, expended in 1901 \$21,292,097 in schools, or about 40 cents per capita.

In the United States the cost of public instruction varies from about 80 cents per capita of population to about \$6 per capita, the average in the Northern States being about \$3.50 per each inhabitant.

California, with less than 1,500,000 inhabitants, expends \$9,133,136 on public instruction, or more than \$6 per capita. The city of San Francisco, with less than 350,000 inhabitants, expends \$1,382,956 on education, or about \$4 per capita.

These statistics are not cited for the purpose of showing that the government should expend more money on schools. The government is now expending for education all the money which its revenues will permit. They are cited, however, for the purpose of demonstrating to the Filipino people that if they expect to reach the same plane of educational progress as other peoples more money must be forthcoming, and that a total government income which does not much more than equal that spent by California on schools will hardly suffice to gratify immediately all their desires for material and intellectual advancement.

To educate the 1,200,000 young men and young women of the Philippines properly at least \$5,000,000 gold will be required to pay salaries alone every year, and that without adding one American teacher or increasing the supervising force by a single man. The following is a reasonable estimate of the cost of furnishing instruction to 1,200,000 Filipino children and of furnishing them with the necessary school material, viz:

General superintendent and office force	\$41,486.66
31 division superintendents	61,200.00
29 clerks to division superintendents	21,060.00
861 supervising, technical, and normal school-teachers (American)	824,171.34
294 native insular teachers	94,800.00
12,000 native municipal teachers, at \$240 per year	2,880,000.00
Supplies, at \$1 (gold) per student	1,200,000.00
Incidentals	25,000.00
Total	5,147,718.00

The appropriation for the fiscal year 1905 is as follows:

Salary of general superintendent and office force	\$41,486.66
Salary of 31 division superintendents	61,200.00
Salary of 29 clerks to division superintendents	21,060.00
Salary of 861 American teachers	824,171.34
Salary of 300 night school-teachers	52,650.00
Salary of 294 insular native teachers	94,800.00
Salary of 32 native teachers for Abra	2,592.00
Other employees	2,040.00
Transportation	12,300.00
School supplies	85,200.00
Contingent expenses	11,325.00
Total	1,208,725.00

In addition to this sum at least \$502,224.06 gold will be appropriated by the various municipalities for the payment of native teachers, the purchase of furniture, and the renting and repairing of school-houses.

For further and specific information as to the work of the bureau of education and the results accomplished by the various schools established in the archipelago, reference is made to the very complete report of the general superintendent of education, which is hereto annexed, marked "Exhibit A," and made a part hereof.

* Or ₱2,417,450 Philippine currency.

BUREAU OF ARCHITECTURE AND CONSTRUCTION OF PUBLIC BUILDINGS.

The office personnel of the bureau of architecture and construction of public buildings for the year beginning July 1, 1903, and ending June 30, 1904, was 1 chief of bureau; 1 master builder; 1 superintendent of construction, class 6; 1 electrical engineer, class 6; 1 disbursing officer, class 6; 1 clerk, class 7; 1 draftsman, class 7; 2 draftsmen, class 8; 1 mechanical engineer, class 8; 2 clerks, class 8; 1 clerk, class 9; 2 stenographers, class 9; 1 storekeeper, class 9; 2 junior draftsmen, class F; 2 junior draftsmen, class G; 1 clerk, class I; 1 employee, at \$210, and 1 employee, at \$150.

During the year the bureau constructed a new crematory for the board of health; renovated the Cuartel Fortin and prepared it for use by the bureau of posts; completed the new stable, wagon sheds, and men's quarters for the insular purchasing agent; constructed a coal shed for the insular purchasing agent at Romblon; finished the municipal building for the city of Manila; installed a telephone system for the bureau of customs and immigration; remodeled the old customs building; repaired and refitted the immigrant quarantine station on Engineer Island; erected a 2-story building for use of the customs-house at Balabac, Balabac Island; added kitchen extensions to the cottages at Baguio; constructed servants' quarters and a new office building at the same place; installed sanitary toilet rooms and lavatories in the ayuntamiento; cloth-lined and repainted the halls of the second floor and the offices of the commissioners in the same building; built a stable 30 by 102 feet for the bureau of agriculture at Singalong; erected a cottage for the superintendent of the government rice farm at Murcia, and constructed nipa buildings to shelter farm implements and horses used on the farm; rebuilt the old stone quadrangle on Engineer Island as a storehouse for the bureau of coast guard and transportation; erected a machine shop 80 by 160 feet and a warehouse 80 by 92 feet for the same bureau, and extended to two tanks on the island, each of 10,000 gallons capacity, the water supply of the city of Manila.

The badly decayed floor at Malacañan Palace has been removed and a new floor constructed, well raised above the ground for ventilation, the space below being filled in sufficiently to give drainage for surface water. Malacañan Palace has been repainted and rewired for electric incandescent lighting.

A vault, having 480 square feet of floor space and provided with a time lock, Bessemer steel lining on floors, walls, and ceilings, and surrounded with a grillage of steel beams and concrete, has been constructed for the insular treasury bureau, and the cash room of the same bureau enlarged and cashier's and teller's windows of modern design installed.

Additional stable room, sufficient to accommodate 18 horses, has been provided for the insular cold-storage and ice plant. A 2-story shed for the storage of ammonia and the furnishing of space for small workshops for the ice plant, with a corridor connecting with the main building, has been built on the river front.

The southerly entrance to the Intendencia Building and the patio corridor adjoining the offices of the United States Coast and Geodetic Survey have been floored over and inclosed to give additional

office space to that bureau. A workshop, 60 by 600 feet, with a steel corridor connecting with the main building, is now in course of construction at Bilibid Prison.

The Oriente Building has been completely remodeled for offices, and the bodega has been fitted up for the constabulary for use as a supply warehouse. The Oriente Building proper is now occupied by the following bureaus: Constabulary, internal revenue, forestry, agriculture, ethnological survey, civil-service board, Official Gazette, American Circulating Library, Philippine museum, and the court of customs appeals.

The building for the bureau of government laboratories has been practically completed and the machinery equipment installed. The smokestack, however, has not yet been put in place, and the machinery will not be ready for operation before the 1st of next December. The building was turned over to the bureau of government laboratories for occupancy in the month of September.

The contract for the construction of the foundations of this building was let in December, 1902, and the contractor completed the work on May 20, 1903. Bids for the construction of the building on the foundations were received on November 12 and December 12, 1902, as follows:

California Lumber Company:	
First bid.....	\$88,560
Second bid.....	83,500
M. Gotauco:	
First bid.....	98,500
Second bid.....	78,500
Smith & Jones:	
First bid.....	108,740
Second bid.....	96,000
D. W. Cadwallader & Co.:	
First bid.....	122,000
Second bid.....	86,000

These bids were rejected in view of the fact that the architect estimated that the building should not cost more than \$62,347, exclusive of material worth \$33,450 to be furnished by the government to the contractors. The architect has been directed to furnish this office a statement in detail of the entire cost of the building. Such statement has not as yet been furnished by the architect, and can not, therefore, be included in this report. The architect, however, has stated that the cost of the superstructure will not greatly exceed the amount of his estimate, excluding additions to the building authorized after the estimates were furnished, the cost of cesspool and septic tank, extra wages paid to laborers after July 1, 1903, due to paying the same in Philippine instead of Mexican currency, insurance, and customs duties which were imposed by the Commission subsequent to the making of the estimate.

Progress on the building was slow, due in a measure to the want of skilled labor and to the delay in the delivery of building material ordered from the United States, some of the material not being received until ten months after the order was placed.

The following comparative statement of materials used during the

fiscal year 1903 and the fiscal year 1904 will give some idea of the increase d amount of work performed by the bureau.

Description of item.	1903.	1904.
Property invoiced to the bureau by the insular purchasing agent on vouchers	382	829
Representing the value of Philippine currency	\$168,500.86	\$374,530.26
Cement expended on the various jobs	barrels. 3,189	4,629
Window glass	panes. 2,164	7,506
Corrugated iron	sheets. 1,302	4,615
Flat galvanized iron	do. 667	4,372
Locks of various descriptions and sizes	do. 445	690
Oregon pine and California redwood	feet B. M. 635,940	1,079,438
Nails	pounds. 18,172.5	48,660
Paint	gallons. 748	1,007.5
Cast-iron pipe	pounds. 14,341	23,321
Galvanized-iron pipe	linear feet. 4,365	6,890
Wood screws	do. 4,265	32,949
Solder	dozen. 1,577	2,644
Turpentine	pounds. 878	1,908.5
Varnish	gallons. 62	500.75
	do. 65	245

There was actually expended on public works during the fiscal year 1903-4 ₱630,065.56, and incurred but unpaid on the same account ₱138,387.83. The sums appropriated, expended, or incurred on account of public works and construction and repair of public buildings are shown in detail by the following table, the amounts of which are expressed in Philippine currency:

Public works.

Building.	Appropriated.	Disbursed.	Outstanding.	Balance.
Audiencia	₱4,000.00	₱1,767.73		₱2,232.27
Ayuntamiento	23,700.00	16,811.57	₱360.00	6,528.43
Board of health, San Lazaro:				
Wm'n department	4,400.00	596.60		3,803.40
Electric wiring	1,700.00	922.06		777.94
Leper department	500.00			500.00
Roads, etc.	3,000.00	588.60		2,411.40
Bureau of agriculture:				
Piping, etc.	2,200.00	1,848.00		352.00
Storage building, etc.	4,000.00	3,921.24		78.76
General repairs	400.00			400.00
College, Occidental Negros	50,000.00			50,000.00
Bureau of education, exposition buildings	4,000.00	107.45		4,492.55
Bureau of government laboratories:				
Serum institute	8,000.00	5,286.60		2,713.40
Calle Iris	2,300.00	1,686.50		613.50
Calle Alix	2,000.00	1,264.41		735.59
New laboratory building	82,892.00	71,137.99	1,300.00	10,454.01
New laboratory equipment	100,000.00	46,254.74		53,745.26
New laboratory fixtures	22,000.00	1,596.64	2,016.80	18,416.56
New laboratory filig.	1,300.00	1,300.00		
Serum laboratory	2,000.00	934.21		1,065.79
Bureau of insular cold storage and ice plant, painting, etc.	4,900.00	3,171.76		1,728.24
Bureau of insular treasury, vault, etc.	36,628.00	29,667.80	3,600.00	3,360.20
Bureau of public printing, roof, etc.	8,600.00	1,016.50		7,583.50
Civil Hospital	8,000.00	5,146.70		2,853.30
Santa Potenciana	7,400.00	2,708.16		4,691.84
Building supplies	140,000.00	104,433.61		35,566.39
Board of health, San Lazaro:				
Stable	1,300.00			1,300.00
Sep. tanks	12,000.00	5,711.97	2,985.00	3,303.03
Wards, etc.	50,000.00			50,000.00
Cholera hospital	56,000.00	53,514.78		2,485.22
Plumbing	3,000.00			3,000.00
Crematory	3,000.00	2,374.35		625.65
Ventilators	1,530.00	794.50		735.50
Coast guard and transportation:				
Warehouse	68,000.00	1,883.04	63,984.00	2,132.96
Repairs	1,000.00			1,000.00
Watchman's building	600.00			600.00
Machine shop	15,700.00	15,279.48		420.52
Water and electric mns	10,000.00	5,059.59	200.00	4,740.41
Office	400.00	48.53		351.47

Public works—Continued.

Building.	Appropriated.	Disbursed.	Outstanding.	Balance.
Bureau of customs:				
Iron fence	P23,000.00			P23,000.00
Sidewalks	8,000.00	P3,597.39		2,402.61
Signal mast	3,000.00			3,000.00
Painting	3,000.00	2,982.90		7.10
Main building	14,024.00	11,421.36		2,602.64
Standpipes	3,000.00			3,000.00
Electric lights, etc.	12,100.00	7,286.73	P1,587.48	3,226.79
General alterations and repairs	12,000.00	10,855.22		1,144.78
Bureau of insular cold storage and ice plant:				
Storage shed	10,000.00	7,159.21		2,840.79
Stables	6,000.00	2,755.55		3,244.45
Insular purchasing agent:				
Stables, etc.	116,700.00	74,813.24	38,519.55	3,867.21
Coal sheds	28,000.00			28,000.00
Bureau of prison:				
Workshop	38,000.00	8,210.51	22,400.00	7,389.49
Warehouse, etc.	17,600.00	9,531.06		8,068.94
Bureau of public printing, warehouse, etc.	77,000.00			77,000.00
Bureau of architecture:				
Roof	3,600.00	2,275.95		1,324.05
Shelving, etc.	600.00	144.88		455.12
Buildings at Baguio	35,112.00	18,010.39		17,101.61
Intendencia roof	8,000.00			8,000.00
Oriente building	60,233.00	60,016.02		216.98
General alterations and repairs	22,000.00	18,185.41		3,814.59
Customs-house at Balabac	2,000.00	1,340.19		659.81
Insular purchasing agent:				
Sidewalks	700.00			700.00
Filling	1,700.00		1,445.00	255.00
Cuartel Fortin:				
Post-office	20,244.00	3,026.21		17,217.79
Supply store	13,000.00	1,597.06		11,402.94
Electric connections	400.00			400.00
Total	1,287,123.00	630,065.56	138,387.83	518,669.61

Of the amount actually expended P218,243.55 was paid for work performed by contract, P186,873.11 for work done by the bureau, and P224,948.90 for supplies furnished by the insular purchasing agent. The total amount actually expended by the bureau for all purposes was P691,439.20, to which must be added obligations incurred but not paid, amounting to P138,387.83. The following table will show in detail the total expenses of the bureau for all purposes:

	Appropriated.	Disbursed.	Outstanding.	General fund.	Balance.
Salaries and wages	P55,000.00	P54,612.17		P387.83	
Contingent expenses	6,572.00	5,766.91		805.09	
Transportation	3,000.00	994.56		2,005.44	
Public works	1,287,123.00	630,065.56	P138,387.83		P518,669.61
Total	1,351,695.00	691,439.20	138,387.83	8,198.36	518,669.61

The architectural work of this bureau has been on the whole highly satisfactory, and the same may be said of most of the construction work, especially of the construction work on the laboratory building. The patent roofing material used on the cottages at Baguio was not fitted to stand the strain of a tropical climate and should not have been employed by the bureau for construction purposes until proper experiment had demonstrated its usefulness as roofing.

For details of the work completed and the work now in progress by the bureau of architecture and construction of public buildings, reference is made to the report of the insular architect annexed hereto and marked "Exhibit C."

THE BUREAU OF PUBLIC PRINTING.

VALUE OF PRODUCT AND COST OF PRODUCTION.

From July 1, 1903, to June 30, 1904, the total product of the bureau of public printing was \$283,913.84, and the total expense for salaries, wages, printing paper, supplies, and miscellaneous amounted to \$195,435.92, or an excess of the value of the product over the cost of production amounting to \$88,477.92. The purchase-price value of the equipment in the fiscal year 1903 was \$141,506.63. Deducting from this sum \$14,458.88 for articles condemned and dropped and 10 per cent for reasonable wear and tear gives the sum of \$127,047.75, which represents the reasonable value of the equipment at the beginning of the fiscal year 1904. Adding to this \$11,321.38, the value of the equipment purchased in 1904, we have the sum of \$168,369.13, representing the gross value of the equipment for the year 1904. Deducting \$16,836.91, 10 per cent of the gross value for wear and tear during the year 1904, and \$12,000, rental value of the premises occupied, from \$88,477.92, the excess of value of product over cost of production, we have \$59,641.01 as the net excess of value of product over cost of production for the last fiscal year. The net excess for the fiscal year 1903 was \$24,236.64. The prices fixed for the product are according to Ramaly's schedule of prices.

Printing and binding work was executed during the year as follows:

Civil governor:	
Executive bureau	\$44,405.50
Philippine civil-service board.....	7,207.45
Bureau of the insular purchasing agent.....	3,410.45
Office of the improvement of the port of Manila.....	135.90
Exposition board	10,096.65
Total	\$65,255.95
Department of the Interior:	
Office of the secretary board of health for the Philippine Islands	9,328.45
Quarantine service	970.00
Forestry bureau	5,548.60
Mining bureau	1,270.85
Philippine weather bureau.....	4,133.30
Bureau of public lands.....	184.00
Bureau of agriculture.....	1,697.50
Ethnological survey for the Philippine Islands.....	359.60
Bureau of government laboratories.....	5,880.80
Philippine civil hospital.....	379.95
Civil sanitarium, Benguet.....	45.10
Total	29,798.15
Department of Commerce and Police:	
Bureau of posts.....	12,963.17
Signal service	695.30
Bureau of Philippine Constabulary.....	10,337.85
Bureau of prisons.....	1,421.90
Bureau of coast guard and transportation.....	6,866.65
Bureau of coast and geodetic survey.....	1,069.95
Bureau of engineering.....	1,337.80
Office of Benguet improvements.....	2,967.05
Calbayog pier construction.....	16.30
Total	37,675.97

Department of Finance and Justice:

Office of the secretary-----	\$178. 55
Bureau of the treasurer of the Philippine Islands---	8, 532. 55
Bureau of the auditor of the Philippine Islands----	4, 408. 05
Bureau of customs and immigration-----	24, 245. 70
Arrastre division, customs service-----	477. 80
Bureau of internal revenue-----	928. 45
Bureau of insular cold storage and ice plant-----	1, 818. 55
Bureau of Justice-----	
Supreme court-----	568. 35
Court of customs appeals-----	18. 35
Court of land registration-----	1, 023. 70
Office of the attorney-general-----	5, 790. 25

Total----- \$47, 990. 30

Department of Public Instruction:

Bureau of education-----	7, 559. 40
Bureau of public printing-----	4, 626. 50
Bureau of archives-----	170. 60
Bureau of architecture and construction of public buildings-----	628. 55
American circulating library of Manila-----	34. 50
The Official Gazette-----	17, 098. 51
Philippine census bureau-----	132. 50
Bureau of patents, copyrights, and trade-marks-----	63. 45
Philippine museum-----	43. 15

Total for department of public instruction----- 30, 357. 16

Total for city of Manila----- 12, 947. 40

Total for provincial governments----- 51, 163. 18

Outside work (others than the government)----- 5, 248. 50

Obsolete forms destroyed----- 115. 05

Grand total----- 280, 551. 66

The following table will show the value of printing and binding furnished during the fiscal year 1903 and the fiscal year 1904:

	1903.	1904.		1903.	1904.
July-----	\$4, 769. 57	\$15, 215. 50	February-----	\$18, 172. 80	\$25, 030. 35
August-----	11, 619. 55	17, 585. 15	March-----	23, 081. 30	27, 533. 85
September-----	10, 023. 74	15, 491. 40	April-----	18, 420. 50	28, 823. 62
October-----	13, 799. 12	16, 956. 70	May-----	24, 334. 70	22, 656. 59
November-----	23, 348. 71	29, 214. 95	June-----	28, 577. 30	37, 030. 60
December-----	22, 374. 65	23, 211. 35			
January-----	20, 355. 60	20, 851. 60	Grand total-----	219, 817. 54	280, 551. 66

MATTERS OF GENERAL INTEREST.

Since the passage of Act No. 807, on July 27, 1903, the bureaus and offices of the insular government are not required to pay cash for their printing, but a report of the printing done for the various bureaus is submitted at the end of the year to the secretary of public instruction and to the insular auditor.

Owing to the diminution of customs receipts and the necessity for practicing the most rigid economy, the erection of a steel frame warehouse adjoining the present printing plant, for which appropriation was made by Act No. 831, was abandoned, arrangements having been made to secure storage for supplies and paper in one of the bodegas of the custom-house. In view of the fact that increased space was

required by the composing room and the bindery, the electrotyping and stereotyping foundry has been removed from the second to the first floor.

INSTRUCTION OF NATIVE CRAFTSMEN AND APPRENTICES.

In addition to the public printing performed by the bureau, the work of instructing native craftsmen and apprentices in the various branches and specialties of the printing trade has been continued along the same lines as those initiated during the fiscal year 1903.

In the composing room 8 of the 10 linotype machines are now operated by natives, and, while the product is not as great as that of an expert American operator, it has been sufficient, in conjunction with two machines operated by Americans, to meet the demands for machine composition. In this room all make-up and imposition work is done by junior craftsmen, under the guidance and instruction of an American. The preparation of all job copy, all job work, the distribution of all job and body type, the care of electrotype plates, the running of the dumping bank are all performed by native craftsmen and apprentices. The instruction of apprentices in the composing room covers a period of three years, one year being devoted to straight and tabular composition, one year to job composition, and one year to making-up and imposition.

During the fiscal year 1903, 23 Americans, 15 junior craftsmen, 5 apprentices, and 4 helpers were employed in the composing room. At the beginning of the fiscal year 1904 there were employed in the same division 11 Americans, 34 junior craftsmen, 10 apprentices, and 6 helpers, while on September 1, 1904, there were only 7 Americans employed in this division of the bureau.

The bureau of public printing has the only electrotyping and stereotyping plant in the islands, and prior to its introduction there was no opportunity whatever for natives of the islands to acquire any information or knowledge of electrotyping or stereotyping. Two apprentices were assigned to this division in April, 1903. Since that time 6 more have been assigned. All of the apprentices have shown considerable aptitude in molding, building, and battery and casting work, and are at present performing all such work under supervision. One of the apprentices, who began work in this division in April, 1903, is at present able to finish skillfully all ordinary work, and is especially proficient in making corrections in plates. But little stereotyping work was done by the bureau during the last year and, as a consequence, the opportunity for practical instruction in this specialty was limited.

Of all the allied trades which go to make up the printing bureau, none appeals more strongly to the Filipino than the binding trade, and, as a result of this strong liking for the business, the product of their labor more favorably compares with that of American craftsmen than in any other branch of the printing business. They are anxious to become acquainted with modern methods and display very satisfactory skill in operating the automatic folding machine, book-sewing machines, automatic paper-cutting machines, wire-stitching machines, and ruling machines. In the bindery native employees are classified as craftsmen, junior craftsmen, apprentices, and helpers. Junior

craftsmen are advanced to the grade of craftsmen when they have sufficiently demonstrated their ability as binders. Apprentices begin their education as binders at the foot of the ladder, and from the handling of paper they are advanced gradually to finishing in a workmanlike and skillful manner blank and printed books of all kinds. In the bindery there are 15 apprentices, 3 of whom are detailed on ruling machines, 2 on finishing, 8 on blank and printed forwarding, and 2 on quarter-bound work.

Six apprentices are employed in preparing, exposing, and developing plates in the photo-engraving room. They coat, strip, print, etch, route, bevel, and block. The apprentices, of course, have little or no knowledge of chemicals or formulas, and considerable study and experience will be required of them before they have a complete knowledge of photo-engraving.

Five native craftsmen are capable of operating cylinder presses as against one who had that ability one year ago. They execute in a satisfactory manner ordinary book and job work from type or plates. Progress has also been made by native craftsmen in working the platen presses. Fourteen apprentices are on duty in the press room. Their instruction begins with feeding the press and ends with the complete knowledge of its operation on all classes of work.

Three apprentices are assigned to the power plant and machine shop, 2 of whom have been instructed in electrical work with such machinist's work as properly belongs to that trade, while the third has been assigned chiefly to machinist's work. The progress of all has been satisfactory. Two junior craftsmen manage with skill the lathe and shaper and do many odd jobs of repair work.

There are employed in the bureau of public printing 59 apprentices, assigned as follows: Composing room, 13; bindery, 15; electrotyping and stereotyping room, 8; photo-engraving room, 6; press room, 14; machine shop, 3. The chief of the bureau insists that apprentices shall attend the night schools, and his enforcement of this rule has been one of the most important factors in giving to the bureau of public printing the nucleus of a strong force of native workmen well acquainted with English and able to render substantial service to the government.

Large as is the quantity of printing turned out by the bureau, the work is carefully done and its quality is fully up to the standards of the best printing establishments at home.

The public printer has been conscientious, zealous, and earnest in the discharge of his duties, and his administration of the bureau has been highly satisfactory and commendable. The American workmen at present employed in the bureau are careful, painstaking, and efficient in the performance of their duties as craftsmen and, at the same time, conscientiously discharge their duties as instructors of Filipino junior craftsmen and apprentices.

For further and detailed information regarding the bureau of public printing, reference is made to the report of the acting public printer hereto attached and marked "Exhibit D."

THE BUREAU OF ARCHIVES.

After the fall of Manila, the various offices of the Spanish Government were thrown into the greatest confusion, and official documents

of the greatest importance, pertaining to all the departments of the Spanish Government, became so mixed and mingled together that it became absolutely necessary to establish some bureau to bring order out of the chaos occasioned. As a consequence, the bureau of archives was organized and the work of orderly arrangement of documents belonging to the general government, provincial and municipal governments, the council of administration, auditor of state, postmaster and treasurer-general, the government of Manila, direct and indirect imposts, court of accounts, and the post-office was confided to its care. The orderly disposition of these documents required great labor by itself. In addition there were and will continue to be constant demands on the office for the examination of old records, making copies of official papers, and the issuance of certificates and reports on records affecting the title to government property and property claimed by the government. The transfer of the notarial protocols of the islands to this bureau, the making of inventories for 322 volumes of protocols not provided by the provinces of Cebu, Mindoro, Iloilo, Ilocos Sur, Nueva Vizcaya, Negros Occidental, and Negros Oriental, the registration of copyrights and trade-marks, the registration of brands and marks of large cattle, the filing of patents granted in the United States, and the reclassification of old Spanish documents which was occasioned by the transfer of the bureau from the Intendencia Building to the Ayuntamiento have further increased the burden of labor over that imposed on the bureau at the time of its formation. It is to the credit of this bureau, however, that it has asked no substantial increase in personnel and that the employees have worked extra hours every working day in order to meet the demands of the service.

During the year a chronological index of the royal cédulas from 1660 to 1696 was made. On account of the old orthography of these cédulas, so different from that now in use by Spaniards, and the fading of the ink, this was a work of considerable magnitude and required special knowledge, accuracy, and care.

From July 1, 1903, to June 30, 1904, 517 copies of public documents were issued and fees amounting to ₱898.50 collected therefor. Fees for searches and certificates issued thereon amounted to ₱831.80. Sixty-nine copies of documents requested by various heads of departments and bureaus were also furnished, but without charge. Two hundred and fifty-one trade-marks and 72 copies of patents registered in the United States were filed with the bureau and fees amounting to ₱12,694 collected therefor. In addition 12 copyright certificates, 4 certified copies of trade-mark registration, 5 trade-mark certificates, and 6 certificates of assignments of patents registered in the United States were issued, and fees for the service amounting to ₱34.36 collected. The total collections of the bureau for the fiscal year were ₱14,458.74. The total expenses for the same period were ₱22,614.31.

Since the removal of the bureau of archives to the Ayuntamiento, great difficulty has been experienced in preserving the records from the ravages of the anay or white ant. These little insects come through the cement wall, throw out their bridges so as to escape obnoxious preventives, and unless a daily examination is made destruction of important records is likely to occur. Due to the precautions taken by the chief of the bureau and the employees, no important record has been seriously injured by these insects save and except

the protocol of Marcos Gonzales for the year 1740. This document, while badly injured, can be recopied and this work is now being done by the bureau.

The work of this important bureau has been very satisfactorily performed, and great credit is due to its chief and the office force for the efficient service rendered.

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The library is supplied with appropriations made by fees, fines, and donations. The fund is deposited in the fiscal year 1903-4 the salaries, wages, and other expenses has been expended for ₱16.24 on June 30, 1904.

The amounts appropriated for the purchase of books, and the special fund resulting from the year the sum of ₱10.00.

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the Burma Gazette; the Chamber of Commerce Journal, England; the Monthly Bulletin of American Republics; the Harvard Law Review; the Calcutta Gazette; the Central Provinces Gazette, Nagpur, India, and the Bombay Gazette.

Many of these exchanges contain articles of great value to the student of problems in the Philippines, and such articles are properly indexed for ready reference.

The total expense to the government of publishing the Gazette during the last fiscal year was ₱42,323.21, and the total receipts from all sources were ₱20,580.42. The Gazette could be made to more than pay for itself by the publication in it of all legal notices and governmental advertising, and it is thought that either this course should be pursued or the further publication of the paper should be suspended. As the matter stands, the government incurs the expense of maintaining the Gazette, and, at the same time, pays for the publication in the daily papers of the same identical matter which the official paper is required by law to publish. In the beginning, when the daily papers had no wide or extended circulation in the provinces and when it was absolutely necessary that the widest publicity should be given to the acts of the Commission and the orders and proclamations of the Executive, this double expense was justified. It would seem, however, that the time has about arrived when one of the methods now employed to give official information to the people should be suppressed in the interest of economy. As the government has its own printing plant, it is believed that all governmental advertising and announcements could be published more economically in the official paper now established, but, if the Commission considers such a course unwise and an invasion of a field which properly belongs to private enterprise, it is recommended that on the termination of the present fiscal year further publication of the Gazette be discontinued.

The editor of the Gazette and the acting editor, during the former's absence, have displayed commendable energy in keeping the paper abreast of its work, and their constant and persistent efforts to increase the number of paid subscriptions are worthy of praise.

For further information as to the Gazette, reference is made to the report of the acting editor, which is hereto annexed and marked "Exhibit G."

Respectfully submitted.

JAMES F. SMITH,
Secretary of Public Instruction.

The PHILIPPINES COMMISSION.

EXHIBIT A.

REPORT OF THE GENERAL SUPERINTENDENT OF EDUCATION, SEPTEMBER 15, 1903, TO SEPTEMBER 15, 1904.

MANILA, *September 15, 1904.*

SIR: I have the honor to submit herewith the fourth annual report of the general superintendent of education for the Philippine Islands, covering the period from September 15, 1903, to September 15, 1904.

The work of the past year has effected a more perfect and uniform organization of schools and offices, with a closer relationship between the office of the general superintendent and those of the division superintendents. A better understanding has been gained by the central office of the needs of the different fields and a greater economy practiced in the assignment of teachers. Reliable statistics have been secured relative to public instruction in the Philippines, through a careful system of school reports. What follows is largely a presentation of these statistics, which are believed to be as exact as careful reports from teachers and superintendents can secure.

PUBLIC EXPENDITURES FOR THE SCHOOLS.

As is well understood, the Philippine government made prompt provision for the establishment of schools in the islands. Some criticism has been made on the ground that a disproportionate amount of the public revenue has been devoted to public instruction rather than to more material benefits to the population. An examination of the actual expenditures by the insular government does not appear, however, to warrant this criticism. Commencing July 1, 1901, a date prior to the arrival of any considerable number of teachers from the United States, and prior also to the organization of the school work in the provinces, down to July 1, 1904, there has been actually expended out of the insular funds appropriated by the Philippine Commission, \$3,839,040, or \$1,279,680 a year.

The total amount of money expended by the insular government for all purposes since 1901 is as follows:

1901.....	^a \$6,100,453.57
1902.....	^a 7,657,002.85
1903.....	^a 10,609,186.13
1904.....	^b 11,152,139.19

^a Reports of the insular auditor: 1901, page 121; 1902, page 58; 1903, page 50.

^b This last figure was obtained from the insular auditor in advance of the publication of report.

The amounts expended by the insular government for the bureau of education in these four years have been as follows:

Fiscal year—	
1901.....	\$233, 411
1902.....	1, 194, 381
1903.....	1, 400, 563
1904.....	1, 244, 096

It may be seen from this table that the maximum amount of money expended for the bureau of education was in the year 1903. In the past year the work of the bureau has been conducted with the reduced expense of ₱156,467. In the year 1902 the expense for the bureau of education amounted to 16 per cent of the total expenditures of the government; in 1903 to 13.5 per cent; in 1904 to 11.2 per cent. It is thus seen that the proportion of money spent for the bureau of education has been continually decreasing for the last three years, when compared with the total disbursements of the Philippine government. This retrenchment of expenditure, both in actual amount and in proportion to the total expenses of the government, has been carried out in spite of the fact that each year has shown a large gain in the amount of school work done. Considering the great necessity for public instruction, the ambition of the people of all classes to receive it, and the very considerable influence that the public schools have had in creating satisfaction with the American Government, the total amount of money expended for the purpose of education would appear to be neither extravagant nor disproportionate. It is by no means as liberal a provision for public education as is frequently supposed, and falls far behind that made by the government of Cuba, Porto Rico, or Japan.^a

Of the total amount expended for public instruction since July, 1901, (\$3,839,040), about two-thirds has been expended for the salaries of American teachers and superintendents. About \$890,000 has been spent for schoolbooks and school supplies. In the last year these supplies have included a considerable amount of carpentry tools, iron working tools, agricultural implements, and wood and iron working machinery for the establishment of agricultural and tool work in the different school divisions.

The appropriation by the insular government for the bureau of education for the fiscal year 1904-5, provides for public instruction in the sum of ₱2,417,450, distributed in the following items:

Salary of general superintendent and office force.....	₱82, 973. 32
Salary of 31 division superintendents.....	122, 400. 00
Salary of 29 clerks to division superintendents.....	42, 120. 00
Salary of 861 American teachers.....	b 1, 648, 342. 68

^a Japan, with a population approximately 50,000,000, less than seven times that of the Philippines, expended in 1901 \$21,292,097 on public instruction, or more than sixteen times the amount expended in the Philippines in 1904. (*Résumé Statistique del Empire de Japon*, Tokio, 1904.)

Cuba, in the fiscal year of 1899, expended \$4,000,000 upon public instruction, having at that time 3,000 public schools with 3,500 teachers and a student attendance of 130,000. (The attendance in the Philippines is close to 300,000 and expenditures for public instruction, as stated, less than \$1,250,000 on the part of the insular government, and about \$500,000 out of local funds.) (Report on the Census of Cuba. War Department, Washington, 1899, p. 584 et seq.)

Porto Rico, in 1902, fiscal year, had a total school attendance of 61,863, the disbursements for this purpose being \$505,000, a little more than one-fourth of the entire governmental revenue. (Report of Commissioner of Education, Washington, 1902, vol. 2, p. 1205.)

^b The full amount of money for this number of teachers was not appropriated, by reason of the considerable saving that is anticipated will occur this year on account of lapses.

Salary of 300 night-school teachers.....	105,300.00
Salary of 294 native teachers.....	189,600.00
Salary of 32 native teachers for Abra.....	5,184.00
Salary of other employees.....	4,080.00
Transportation.....	24,400.00
School supplies.....	170,400.00
Other contingent expenses.....	22,650.00

These items indicate the share of public school maintenance which is borne by the bureau of education. The expenses for the salaries of municipal primary teachers, the erection and repair of school-houses, and the purchase or manufacture of school furniture, are borne by the municipalities and are paid for in part by appropriations made by the municipal councils out of the general municipal funds. It has proven very difficult to secure reliable statistics as to the amounts so expended by the 660 organized Christian municipalities in the islands. Fairly accurate reports have been made by 30 of the provinces, but, except for salaries of teachers, data could not be obtained for Albay, Isabela, Samar, and Misamis. The Moro Province is separately administered and is not included.

The total amount expended by municipalities for schools in the Christian provinces, and in the case of Albay, Isabela, Samar, and Misamis, including only teachers' salaries, was ₱1,016,303.93. Of this amount the city of Manila expended ₱325,545.44, or 32 per cent of the total. Cebu leads the provinces with a total of ₱60,367, an average of ₱1,504 to each of its 40 pueblos; the next is Pangasinan, with ₱43,207 from 32 municipalities; Tayabas, ₱38,690 from 25 municipalities, and Iloilo, ₱30,767 from 17 municipalities. The average for the 30 provinces reporting in full was ₱20,201.11. This expenditure provided by local taxation outside of the city of Manila amounts to an average of 10.2 cents per inhabitant, an exceedingly moderate school tax in comparison with other countries and peoples with less resources than the Philippines.

Out of the total amount appropriated for the support of schools the city of Manila expended ₱273,952.15, or 84 per cent of its total, for teachers' salaries; ₱46,115.63, or 14 per cent, for the rental of school buildings, and ₱5,477.66, or 2 per cent, for all other expenses. The provinces outside of Manila spent for teachers' salaries ₱469,280.05, or 68 per cent, of their total; ₱128,014.10, or 19 per cent, for the construction, repairs, and rental of schools; and ₱93,464.34, or 13 per cent, for incidental expenses. It will thus be seen that the great proportion of school funds is necessarily utilized for the payment of teachers and only a comparatively small amount is available for permanent school improvements in the way of new buildings and additional furniture.

Delays in the collection of the land tax and in the accounting for municipal school funds resulted in undischarged obligations in 18 of the 29 provinces reporting, which aggregate ₱28,799.01. The provinces with municipalities most deeply in debt and with consequent greatest arrears in teachers' salaries are Iloilo, with a total of ₱4,283.64; Occidental Negros, with ₱3,603.99; Batangas, ₱2,330; Antique, ₱1,798; Zambales, ₱1,911; Sorsogon, ₱1,823; Oriental Negros, ₱1,677; Ilocos Norte, ₱1,650; Pangasinan, ₱1,570; and Cebu, ₱1,318. Filipino teachers in these cases were obliged to wait several months for the settlement of salaries due them.

Since the first of the year, however, the condition of municipal school finances has been constantly improving and these delays will probably not occur another year.

A year ago there were serious complaints of the diversion of school funds. But by an understanding between the division superintendents and the provincial treasurers, which has received the approval of the insular treasurer, school funds are now disbursed only upon the approval of the division superintendent. This makes impossible the waste, misappropriation, and loss which a year ago was a most serious handicap to the school work. The results of this change which has been brought about will tell very materially upon the amount of local school funds available for this coming year. Not only will it make it possible to hire a somewhat larger number of teachers, but these teachers will receive far more promptly the salary due them each month.

In addition to the school expenditures by the municipalities the provincial boards in 33 provinces have made provision by appropriation out of provincial funds for the establishment of provincial high schools. The appropriations have, in the majority of cases, been very moderate and in most cases limited to the payment of rental for buildings, janitor service, and incidentals. The salaries of all American teachers and all educational equipment for these provincial high schools, which includes not only blackboards, textbooks, expendable school supplies, but also tools, and in a few cases machinery, have been supplied by the bureau of education. In a number of cases, as will be subsequently indicated, the provinces have incurred or are incurring very considerable obligations for the erection of buildings for the provincial schools. The division of expenditures thus outlined between the bureau of education and the provincial boards for the maintenance of these institutions has proved practicable and will probably be continued for some years, although the law (par. n, sec. 1, Act No. 372) contemplates that in the end the provinces will meet all expenses for their high schools out of their own revenues unaided by the insular government.

PRIMARY INSTRUCTION.

Education under the American Government commenced with primary instruction. At the present time, after three years of organized effort, the instruction continues to be almost entirely primary. The aim has been and still is to place the elements of an English education within the reach of children of every social class in every municipality and every hamlet of the archipelago. The reasons for pursuing such a policy as this were sufficiently set forth in the report of the general superintendent a year ago and do not need to be recapitulated here. The aim sought is still sufficiently remote, although great progress toward that end has been made in the past twelve months.

During the past year a course of study has been prescribed for these primary schools by the general superintendent. It covers but three years of instruction, which include three in the English language, two in arithmetic, prefaced in the first year by easy number work, and one year in elementary geography. In addition to these subjects provision is also made for singing and drawing, for both

of which the Filipino has unusual endowment; for handiwork, consisting of school gardening and simple tool work for the boys, sewing and elementary housekeeping for the girls; for physical exercise; and for the training of character. These three years of primary instruction must necessarily appear meager and inadequate to most educators. It should be understood, however, that the primary course of three years does not lead directly to the various secondary courses which are offered at the provincial high schools. An intermediate course of three years is taught in all high schools and at many of the larger municipal schools, the plan being to have the central municipal schools ultimately devote their attention to this intermediate course and to have all primary work done in the barrio schools, which will be located in every one of the hamlets of which a Philippine pueblo or municipality is composed.

The main reason for making the primary course so brief is the need for a plan of study, fairly complete though very simple, which could be taught wholly by Filipino teachers and which, within a reasonable time, could be given to all. In fixing upon so brief and simple a course consideration was also given to the following circumstances:

The training and attainments of the Filipino teachers are very limited. Few of them have had more than three years of instruction in English, and many of these had no previous education. Some years must pass during which the Filipino teacher will continue to receive constant training and assistance before he will be competent to give more than the three years of teaching which have been prescribed. It is certain that the primary teaching can not be done by American teachers. So far as this branch of instruction is concerned, the American teacher at the present time is wholly occupied with the work of organization and supervision and the Filipino teachers are doing the actual work of the class rooms.

The total number of children in the Philippines between the ages of 6 and 14 is reckoned at 1,200,000. The primary course aims to give the bare essentials of a primary education, and it aims to give this to every child between the ages of 6 and 14. These age limits, however, allow for a period of nine years in which to give three years of instruction and permit us to divide the total number of children of school age by 3 when we come to fix upon the measure of equipment necessary to meet the ends in view; that is, if there are sufficient schoolhouses, school-teachers, school furniture, and school-books to give continuous instruction to 400,000 children, it will be possible to give every child three years of primary instruction during the nine years between 6 and 14. The attendance of 400,000 children in the primary schools is the standard toward which the bureau of education is aiming, and if it can reach this standard and maintain it for a period of ten years there will be, broadly speaking, no illiterate youth among the Filipino people, but the entire coming generation will be able to speak, read, and write the English language with a fair degree of accuracy and fluency; will be able to make ordinary arithmetical calculations, including those operations which are used in ordinary business; will have a fair knowledge of the geography of the Philippines and of the continents and countries of the world; and, it is believed, will have received a very beneficial influence upon their characters during the formative

period. Judging from an experience with Filipino pupils extending over the period of the last four years this amount of public education, limited as it appears, will produce an effect upon the Filipino people surpassing any previous experience of this race, with the exception of its conversion to Christianity.

The past year has shown a notable advance toward the attainment of this standard of primary instruction. In the month of September, 1903, a very close approximation of the public school enrollment was made by the division superintendents, amounting to 182,202 pupils for the whole archipelago, about 6,000 of these being of intermediate grade. At the close of the school year last March this figure had risen to 227,600. The school returns for the month of July, 1904, showed that there were actually enrolled 263,974. In considering this last enrollment report it should be noted that at the time it was made the schools had just opened after the long vacation; it was during the rainy season and the time of rice planting, in which many children are necessarily employed. Reports subsequent to the 1st of August have not been received in full, but from those provinces from which returns are in there is in every case a still larger gain and the probability is that when the drier and cooler months of October and November come, and the labor of the children is no longer necessary in cultivation, the total number in primary schools will reach 300,000 of both sexes.

This increase in public school attendance of the past twelve months is due very largely to the spontaneous growth of interest in public instruction among Filipinos of all classes. The American schools passed the experimental stage over a year ago. The American teachers have fully won their place in the confidence and affection of the native population. The period of war with its enmities, suspicions, and social disorganization is past, and the time is ripe for meeting without hindrance the ambitious desires of the entire Filipino race for American education. To meet the increased demand for schools during the past year, a system of school districts has been organized, each in charge of an American supervising teacher. These districts usually embrace a single municipality, but in some cases, owing to the limited number of American teachers, they include two or three. The population of a district varies from 5,000 and 6,000 to as many as 40,000 souls. Some of the largest of these districts, with the number of American teachers in charge, are as follows:

Province.	District.	Population.	American teachers.	Enrollment in the primary schools.
Ilocos Norte.....	Batac.....	23,530	2	3,975
Do.....	Dingras.....	15,792	1	1,188
Do.....	Bacafla Vintar.....	24,051	2	1,874
Cavite.....	Noventa.....	15,058	1	1,044
	Rosario.....			
	Cavite Viejo.....			
Pangasinan.....	Asingan.....	12,911	1	1,184
Do.....	Calasiao.....	16,539	1	1,093
Do.....	Mangaog.....	16,793	1	1,072
Tarlac.....	Gumiling.....	25,243	2	2,084
Cebu.....	Dumanjug.....	18,374	2	1,235
Ilocos Sur.....	Narvacan.....	19,575	1	1,203
Do.....	Gandon.....	18,829	2	1,200
Rizal.....	Malabon.....	31,824	2	1,450
Ilocos Norte.....	Laoag.....	45,334	4	3,712
Laguna.....	San Pablo.....	22,612	2	1,265

These district supervisors spend the greater portion of their time in riding about from barrio to barrio, organizing the small hamlet schools and, after they are once organized, visiting them regularly and assisting the native teacher in his work of instruction. Wherever possible at least once a day all the Filipino teachers gather at the central schoolhouse for an hour or an hour and a half of instruction under the American teacher. This supervising work has proven exceedingly arduous. It calls for high qualities of endurance and courage, but it has met a magnificent response from the American teachers in all parts of the islands. It has proved to be the only method whereby instruction could be given to the masses of the population.

The force of the bureau of education is inadequate at the present time to meet this rapidly growing attendance. It has not been possible to supply all municipalities with public instruction. Out of the 660 organized municipalities in the islands there are 31 in which there are no public schools, properly speaking, and for which American teachers can not be spared even in the capacity of supervisors. An additional reason for the lack of public schools in these towns is the paucity of local school funds. The towns without public schools for the above reasons are as follows:

Albay.—Bagamanoc, Calolbon, Caromaran, Jovellar, Pandan, Payo.

Ambos Camarines.—Capalonga, Gaing, Lupi, Siruma.

Capiz.—Buruanga.

Isabela.—Santo Tomas.

Misamis.—Jimenez.

Samar.—Almagro, Oquendo, Oras, Santo Niño.

Sorsogon.—Bonsul, Castilla, Irosin, Matnog, Pilar, Santa Magdalena.

Surigao.—Bislig, La Paz, Lianga, Nonoc, Sapao, Talacogon, Veruela.

Tayabas.—Baler.

The lack of organized public schools in the provinces of Albay and Sorsogon, which two provinces constitute the second division of schools, is due to the limited number of American teachers now in the service. It is believed that a sufficient number of new American teachers may be assigned from those now under appointment in the United States to perfect the school organization of these two provinces, and give every municipality public instruction. The same explanation applies to the four municipalities which are without public instruction in the province of Ambos Camarines.

The division superintendent of Cagayan and Isabela reports that a schoolhouse in Santo Tomas, Isabela, is under construction and a school will be opened within a month. The paucity of school funds has prevented the establishment of a school at Jimenez, Misamis.

Schools were to have been opened in the four municipalities of Samar which are now without schools, but the recent activity of "pulajanes," with consequent military operations, have delayed the sending of American teachers. As soon as these conditions pass four American teachers will be assigned for the organization of work in these municipalities.

The division superintendent of Surigao reports that of the seven municipalities in that province at present without schools Lapaz, Lianga, Sapao, and Talacogon will have public schools organized during the current month of September. In Bislig schools will be opened in October; while Nonoc and Veruela, the latter a small town near the headwaters of the Agusan River, still await public instruction.

In Tayabas the town of Baler is at the present time without schools. It has had public instruction in the past, and it will probably be possible to reopen schools in that municipality again within a short time.

For the administration of public instruction in the 629 municipalities where schools are organized and in which, as stated above, there are over a quarter of a million children in attendance, the bureau of education has (September 15) a force of 700 American teachers regularly employed and on duty, and 49 American teachers who are temporary appointees. There are 47 teachers on leave in the United States, whose early return is expected, and 40 more under appointment who have not yet reached the Philippines. There are 294 Filipino teachers appointed as a result of civil service examination and paid by the bureau of education, and, in addition, 3,195^a Filipino teachers appointed by division superintendents and paid out of local municipal funds. For the Filipino teachers actually engaged in classroom instruction there is an average of over 70 pupils to the teacher, an unfortunately large number when other conditions are excellent and especially so when the poor housing, inadequate school furniture, and the still limited training of the Filipino teacher are taken into consideration.

The local school funds promise to be augmented to a considerable amount during the coming year by the 5 per cent of the total amount raised by the new internal-revenue law (Act No. 1189), passed July 2, 1904, which is to be allowed for municipal school expenses. Upon advice received from the collector of internal revenue, upon the basis of the impartial data in hand, the following table has been compiled, which shows the estimated amount of revenue for each province for public schools which will be derived from the operation of this new act:

Province.	Population.	Estimated income for educational purposes from internal-revenue act.	Province.	Population.	Estimated income for educational purposes from internal-revenue act.
Abra	51,680	₱2,581.00	Mindoro	39,582	₱1,979.10
Albay	210,326	12,016.30	Negros Occidental	308,272	15,413.60
Ambos Camarines	239,405	11,970.25	Negros Oriental	201,494	10,074.70
Antique	134,166	6,708.30	Nueva Ecija	131,147	6,707.35
Bataan	46,787	2,339.35	Nueva Vizcaya	62,541	3,127.05
Batangas	257,715	12,885.75	Pampanga	223,754	11,187.70
Bohol	209,223	13,461.15	Pangasinan	397,902	19,895.10
Bulacan	221,742	11,187.10	Paragua	35,696	1,784.80
Cagayan	156,239	7,811.95	Rizal	150,923	7,516.15
Capiz	290,721	11,536.05	Romblon	52,848	2,612.40
Cavite	131,779	6,738.95	Samar	266,237	13,311.85
Cebu	654,727	32,696.35	Sorsogon	120,485	6,024.75
Ilocos Norte	178,965	8,949.75	Surigao	115,112	5,755.60
Ilocos Sur	187,411	9,570.55	Tarlac	135,107	6,755.25
Iloilo	410,315	20,515.75	Tayabas	204,739	10,236.95
Isabela	76,151	3,821.55	Union	137,839	6,891.95
Laguna	148,666	7,430.30	Zambales	104,549	5,227.45
Leyte	388,922	19,446.10			
Manila	279,928	10,996.40	Total	6,984,030	349,211.50
Masbate	43,675	2,183.75			

This estimate gives a total addition to the educational funds of about ₱350,000. This sum, if laid out in salaries of municipal teachers, allowing ₱20 per month to a teacher, which is about the average

^a There are also 16 Christian teachers for the Ilocano towns of Abra and 16 teachers for the Tinguian towns of Abra paid by the bureau of education. This number does not include 56 teachers in Moro Province and 7 in Lepanto-Bontoc.

salary paid in the archipelago, would provide about 1,420 additional Filipino teachers. With the promised increase to school funds derived from the land tax and from other municipal appropriations there will be possible a larger expenditure for school-teachers, so that it is anticipated that by the coming month of January 5,000 Filipino teachers may be employed. This, on the basis of 60 pupils to a teacher, would allow for suitable instruction of the 300,000 children whom it is expected will present themselves for public instruction by the beginning of another calendar year. A great difficulty, however, will be in finding the additional 1,500 young men and women with sufficient experience and maturity to enable them to give even the primary instruction outlined above. In only a few of the divisions has the number of young people available for appointment as teachers kept pace with the demand. It must be remembered that the great majority of municipal teachers at the present time, and the only class from whom the future teachers can be appointed, are those who have been acquiring English and experience in the conduct of schools in the six years that have elapsed since the American occupation of these islands. This normal training of teachers has been the point most emphasized in the work of the bureau of education from the very beginning, and the fact that we have as a result 3,500 instructors of good capability is a signal justification of this policy.

THE FILIPINO TEACHER.

The number of teachers employed in the public schools of the Philippine Islands at the end of Spanish rule, according to the *Guia de Filipinas* for 1898, was 2,167, including both men and women. This figure appears to be a purely formal estimate of the Spanish Government. It is identical for each year from 1895 to 1898 and was evidently based upon the fact that the Spanish plan contemplated a "maestro" and a "maestra" for each of the thousand or more pueblos. Nevertheless this plan was actually almost realized and this figure must be approximately accurate. The education possessed by these teachers, with very few exceptions, was almost without any value under the system of public instruction introduced with American occupation. Many of them also were past middle life and naturally found extreme difficulty in acquiring a new tongue and radically changing the methods of instruction. The present number of teachers derived from the class who were teaching the Spanish schools at the time of the American occupation is very small.

The great majority of Filipino teachers have received most of their education and all their training as teachers from American instructors. In the beginning the process of making Filipino teachers was exceedingly radical. Bright, intelligent young men and women were selected and organized in a teachers' class. Many of them after only a few months of English instruction commenced teaching their pupils with an English chart and an English primer. Not only were they entirely ignorant of English in the beginning, but their knowledge of the fundamental subjects of arithmetic, geography, and history was also very small. In their own instruction by the American teacher they could be kept but little in advance of the pupils in their classes. Frequently the teacher taught one week what he himself had acquired only the week preceding. Such a system of instruction, to be of

any value at all, naturally had to be accompanied by the constant assistance, supervision, and instruction by the American teacher. Surprising to say, the Filipino teacher under this method has made progress far in advance of anything that could have been anticipated. Many of those now employed are very fair instructors in the subjects falling within the primary course. They have developed well as disciplinarians. Schoolrooms in charge of Filipino teachers are now almost invariably quiet and well ordered. The daily programme is carried through on time and successfully. What perhaps is more gratifying than anything else they show reliability and fidelity to their work and increasing professional pride.

In addition to the daily instruction given by the resident American teacher, the teachers of each province or school division have been gathered together at least once a year for a period of from four to eight weeks in a normal institute. These institutes, the first of which was held in Manila in April and May, 1901, have been productive of excellent results. Instruction has followed not only the ordinary branches, English, arithmetic, geography, history, civics, and science studies, but a large amount of emphasis has been put upon methods. The simplest matters of class and school organization and conduct had to be explained and illustrated. The method of presenting the subject, teaching with the use of objects, the conduct of English conversation, etc., have been explained with great care and the teachers drilled in these methods. The result has been that the Filipino teachers have left these institutes with new conceptions of school management and of teaching, with great enthusiasm, and with the assured feeling that the government was seeking to raise their efficiency and value. Year by year the results have told in raising the quality of primary instruction.

Primary instruction, with the exception of a very few schools, is now conducted entirely in the English language. More than this, the conversation of the class room is in English. The Filipino teacher has been carefully instructed to address even the smallest pupil in short English sentences, discarding almost entirely the use of the native dialect from the beginning, in order to familiarize the child immediately with spoken English. Under these conditions the Filipino child, who is an exceedingly apt learner and possesses natural ability in the acquisition of languages, is making progress that is almost marvelous. The American supervising teacher spends only a few minutes a week in the class, and at this time is occupied very largely with the correction of errors of grammar and mistakes of pronunciation or in the method of presentation by the teacher, but in spite of this fact the little boys and girls who have received instruction practically only from a Filipino teacher have acquired a correct pronunciation of English and are able to speak with fair regard to grammatical rules. This result will be hardly credited by those who have not themselves had the opportunity to study the progress of this teaching on the ground.

The normal institutes held this last year exceeded in value those of any previous year. They were held in thirty-two provinces, the average duration being about five and one-half weeks. Service in conducting these vacation institutes was required for one month of all American teachers. Hence the institutes of 1904 were supported by almost the entire teaching strength of the bureau. Sessions usually continued

throughout the day. They were attended not only by the regularly appointed teachers, but by large numbers of young people who were seeking appointment. This class of students is known as "aspirantes." It is largely from them, in the lack of graduates of the normal school, that appointments to the position of teacher are made. As stated above, however, the number of qualified native teachers is by no means equal to the demand. Other branches of the insular service are usually better paid and excellent teachers are lost each year by their transfer to clerkships or other positions. At the same time it is noticeable that teachers remain in the teaching profession in spite of higher inducements elsewhere by reason of their interest in the work and the belief that in the service of teaching they are receiving benefits in the way of instruction which would not be so great in other branches of the service.

The greater number of the Filipino teachers are men, there being 2,138 men and 1,057 women. The service is open to both sexes, however, on identical terms and in many provinces the women teachers receive an average larger salary than the men. The average salary of Filipino teachers in the archipelago is ₱20.61 per month for twelve months to the year. It is nearly the same for men (₱20.76) and for women (₱20.99). The following table shows the number, sex, and salary of Filipino teachers in each province:

[This table was compiled August 1, 1904. The total number on that date was 3,134. Sixty-one additional teachers have been since appointed.]

Province.	Filipino teachers.			Average.		Salary, average.	Amount expended for salaries.		
	Male.	Female.	Total.	Male.	Female.		Male.	Female.	Total.
Manila.....	105	62	167	₱72.67	₱70.16	₱71.99	₱91,324.20	₱52,542.80	₱143,867.00
Albay.....	30	24	54	29.17	28.12	28.17	10,301.20	8,296.80	18,598.00
Sorsogon.....	16	9	25	29.37	30.55	29.80	6,358.04	1,581.96	8,940.00
Camarines.....	45	35	80	22.67	20.43	21.70	13,441.80	6,390.20	20,832.00
Batangas.....	68	31	99	22.53	20.10	21.77	18,384.48	7,478.50	25,863.00
Bohol.....	76	53	129	8.78	8.02	8.46	8,007.26	5,100.64	13,108.00
Bulacan.....	77	43	120	24.66	22.91	24.03	22,785.84	11,817.16	34,603.00
Cagayan.....	54	40	94	18.31	14.75	16.85	11,860.88	7,141.12	19,002.00
Isabela.....	19	10	29	21.05	14.40	18.76	3,799.40	1,728.60	5,528.00
Capiz.....	37	7	44	19.62	22.14	20.62	7,511.24	1,859.76	9,371.00
Cavite.....	55	29	84	22.76	20.58	22.01	15,024.16	7,161.84	22,186.00
Cebu.....	115	74	189	11.21	11.78	11.43	15,469.80	10,460.20	25,930.00
Ilocos Norte.....	71	29	100	11.74	12.36	11.91	10,000.48	4,305.52	14,306.00
Ilocos Sur.....	108	61	169	14.13	14.18	14.15	18,312.48	10,383.52	28,696.00
Abra.....	6	9	15	13.00	10.89	11.73	936.00	1,175.00	2,111.00
Iloilo.....	105	61	166	17.41	14.75	16.42	17,936.60	14,772.40	32,709.00
Laguna.....	108	51	162	23.06	23.41	23.20	20,885.76	15,217.24	29,885.00
Antique.....	26	15	41	11.50	10.18	11.24	3,588.00	1,942.00	5,530.00
Union.....	34	12	46	16.33	18.25	16.98	6,744.24	6,277.76	9,372.00
Leyte.....	63	33	96	21.30	18.36	20.29	16,102.80	7,271.20	23,374.00
Masbate.....	20	9	29	13.00	17.22	14.31	3,120.00	1,770.00	4,890.00
Samar.....	23	14	37	15.35	15.71	15.49	4,236.60	2,639.40	6,876.00
Misamis.....	39	78	117	20.00	20.00	20.00	9,360.00	18,720.00	28,080.00
Nueva Ecija.....	53	9	62	18.78	15.00	18.17	12,061.08	1,499.92	13,561.00
Nueva Vizcaya.....	17	13	30	12.29	10.69	11.60	2,507.16	1,674.84	4,182.00
Negros Occidental.....	81	25	106	18.22	17.88	18.14	17,709.84	5,364.16	23,074.00
Negros Oriental.....	89	41	130	11.07	8.26	10.19	11,822.76	4,073.24	15,896.00
Pampanga.....	80	30	110	21.93	23.63	24.57	23,932.80	8,499.20	32,432.00
Bataan.....	13	3	16	25.00	25.00	25.00	3,900.00	900.00	4,800.00
Pangasinan.....	110	33	143	17.72	18.92	18.00	23,390.40	6,497.60	30,888.00
Rizal.....	61	46	107	28.03	23.59	26.13	20,521.56	13,029.44	33,551.00
Romblon.....	19	10	29	16.66	15.80	16.37	3,798.48	1,898.52	5,697.00
Surigao.....	36	23	59	14.00	9.00	12.00	6,048.00	2,449.00	8,496.00
Tarlac.....	46	5	51	19.15	16.60	18.30	10,571.00	966.00	11,567.00
Tayabas.....	64	41	105	26.17	25.73	26.00	20,098.56	12,661.44	32,760.00
Zambales.....	39	8	47	9.92	11.37	10.17	4,642.06	1,092.94	5,735.00
Mindoro.....	29	10	39	16.04	17.50	16.41	5,980.00	2,100.00	8,080.00
Paragon.....	4	4	8	7.50	7.75	7.62	360.00	372.00	732.00
Total.....	2,080	1,054	3,134	20.76	20.99	20.61	511,838.06	265,490.94	777,329.00

As shown by this table, the average salary for a native teacher is highest in the city of Manila, where it amounts to ₱72.67 per month for men teachers, and ₱70.16 for women teachers; and it is lowest in Paragua, where it amounts to ₱7.50 for the men and ₱7.75 for the women. It is also very low in Bohol, ₱7.87 for the men and ₱8.02 for the women; in Zambales, ₱9.92 for men and ₱11.37 for women, and in Oriental Negros, where it is ₱11.07 for the men and ₱8.26 for the women.

The province paying most for teachers after the city of Manila is Sorsogon, where 16 men teachers receive an average of ₱29.37, and 9 women teachers receive an average of ₱30.55. It is almost the same in the contiguous province of Albay. The salaries paid teachers of both sexes are also above the average in Rizal, where it is ₱26.13; Tayabas, ₱26; Bulacan, ₱24.03, and Laguna, ₱23.20.

In addition to this number of Filipino teachers there is a considerable though undetermined number of "aspirantes" who are already giving service either without pay or for a very nominal wage. As an example, there are about forty of these young persons in the province of Pangasinan. They give, in most cases, one-half of their time to instruction, and as compensation are admitted to the teachers' class, which receives daily instruction from the American teacher. They also are accorded special privileges in attendance upon teachers' institutes, and are furnished with books and other aids to the prosecution of their studies. Their average age is between 15 and 16.

This class of "aspirantes," or apprentice teachers, should be very greatly increased. In nearly every branch of the service the government has pursued the policy of paying high wages to the Filipino assistants in advance of actual qualification to render satisfactory service. The principle of unpaid service to the government in return for training conferred or appointments in prospect has not been in operation. Clerks, teachers, and other public servants have been taken into paid employment before they were really qualified for usefulness and have been paid a relatively high grade of compensation during a period which was really one of training or apprenticeship. In the bureau of education it will be insisted upon in the future that a young person who is practically receiving his training as a teacher and at the same time gaining the benefits of an education shall render to the government a certain amount of service without compensation. Until by reason of training and experience his services have reached a mark of proved efficiency, salary, unless nominal in amount, shall not be paid or expected.

As the profession of teaching continues to gain in remuneration, permanency, and dignity, many young men and women should be willing to serve for a period of from one to three years as apprentice teachers without salary, in anticipation of receiving at the end of a suitable time appointments in a profession which provides regular and prompt advancement and an honorable social position.

As a still further relief to the teaching force, where classes have increased so that under a single Filipino teacher there are a hundred or more children enrolled, it is found to be practicable to divide these enormous classes into sections, putting each section in charge of a "pupil monitor," under whose help the younger pupils study, write, or engage in other occupation. This plan was most successfully adopted in the schools of the city of Iloilo. In one school where there

was a total enrollment last spring of 621 pupils, with 8 native teachers, the assignment of pupils as monitors made it possible to keep order and give good instruction. In one of the schools of Laoag, Ilocos Norte, the enrollment reached 700, with 3 paid teachers and about 20 monitors and "aspirantes." In the rules of the general superintendent governing the appointment of Filipino teachers it has seemed advisable to recognize these several grades of instructors and arrange the following schedule of positions and promotions for the Filipino teaching force:

(a) The insular teacher, with a salary ranging from ₱480 to ₱1,200 per annum.

(b) The municipal teacher, paid on an average of ₱240 per annum.

(c) The assistant municipal teacher, of less experience on a somewhat less salary.

(d) The apprentice teacher, serving without pay or at a nominal remuneration.

(e) The pupil monitor.

Eventually two or three years of study and experience should be represented by each of these successive changes.

As stated above, the Commission has now provided for the appointment of 284 Filipino insular teachers. The first of these were appointed a year ago this month. Their appointment produced a very favorable effect upon the teaching service. It advanced certain worthy and excellent teachers to a position in which they felt independent of an uncertain municipal salary, and it considerably increased their remuneration. It put them on a rank in point of pay and tenure of office with ordinary clerical positions as paid by provincial boards, provincial courts, or the insular government. By Act 1040 these teachers are now under the civil-service regulations. It is believed that under present conditions this number on insular pay should be considerably increased as the Filipino teachers gain in training and experience and it becomes possible to dispense with more American teachers. In some cases already Filipino teachers on insular pay act as supervising teachers.

AMERICAN TEACHERS.

At the beginning of the last school year the number of American teachers employed was 723. This number was gradually increased by new appointments until at the end of the school year, in March, 1904, the force was adequate for all schools then organized. However, the two and three year periods of service expired for many of these teachers during the summer and a considerable number of resignations took place at this time. Thus, the new school year began on June 13 with the force very shorthanded; less than 600 teachers were on duty at that time. This number was rapidly increased, however, by the arrival of new appointees and the return of old teachers to duty, so that on September 15, the date of this report, the force stands as follows: 772 on duty, including temporary appointees; 36 due to arrive under appointments made in the United States, and 48 on leave of absence. Owing to the large number of teachers on leave the temporary appointment of 49 persons as teachers had been made.

The American teaching force is kept considerably below the number originally contemplated. Act No. 74, which was passed in January, 1901, and which organized the bureau of education, authorized the employment of 1,000 American teachers. It may be a matter of interest and worthy of record that the number fixed in the original draft of this bill was only 500, but upon the urgent request of many Filipinos, who discussed the bill before the Commission in public meeting, the number was raised to 1,000, in order, if possible, to provide every municipality in the islands with at least one American teacher. The total number of teachers on duty at one time, however, never reached this figure. Our records show that up to September 1, 1904, there had been appointed and assigned to duty in the islands 1,401 teachers; but owing to frequent separations the largest number on duty at any one time was 928, which was in March, 1902. In the year 1901 approximately 889 teachers and division superintendents were appointed; of this number 45 sep the service the same year and 1 died. During the year 1902, 166 separated from the service and 15 died. During 1903, 152 of this number separated from the service and 8 died. In 1904, of this same original number, about 76 have separated from the service and 4 have died. From these figures it would appear that, of the 889 teachers appointed in the year 1901, only 426 now remain. There have been since the organization of the bureau 41 deaths in the service.

In the appropriation bill for the fiscal year 1904-5 the number of American teachers is fixed at 863, including a superintendent for the Philippine Normal School and a superintendent for the Philippine School of Arts and Trades. The compensation provided is shown by the following schedule, which can not be exceeded:

Superintendent, normal school.....	\$3,000
Superintendent, school of arts and trades.....	2,400
3 teachers, at \$2,000.....	6,000
8 teachers, at 1,800.....	14,400
10 teachers, at 1,600.....	16,000
50 teachers, at 1,500.....	75,000
80 teachers, at 1,400.....	112,000
60 teachers, at 1,300.....	78,000
350 teachers, at 1,200.....	420,000
50 teachers, at 1,100.....	55,000
137 teachers, at 1,000.....	137,000
113 teachers, at 900.....	101,700
863.....	1,020,500

Promotions are now made at all times of the year as vacancies in the higher positions occur and as the merit of any teacher becomes conspicuous. The prompt and adequate recognition of meritorious service, which is made possible by the graded list of salaries, has been the means of greatly encouraging the staff of teachers and adding to the attractiveness of the service. The majority of American teachers on entering the service are appointed at salaries of less than \$1,200, but on or before the end of a year's satisfactory service it is possible to advance any teacher who in that period of time demonstrates his worth to a salary of \$1,200, which is regarded as the mean or normal amount of compensation. Above this, the higher salaries are competitive and go to those teachers whose responsibilities are greatest

and whose value to the government is most clearly demonstrated. Compensation does not depend upon the particular station or appointment, but wholly upon the judged value of the man's services to the government. The supervisor of a large rural district is in general recognized as doing a most important and responsible work, although it can not be said that one of these classes of teachers is necessarily to receive a higher compensation than another. One very satisfactory evidence of the improvement in the organization of the school work and the growth and esprit de corps has been the prompt and satisfactory way in which new teachers have settled into their duties and almost without delay successfully undertaken their work, even when, as frequently happens, they have been assigned alone.

The work of the teacher, as already suggested, is of two main kinds: Supervising the rural districts and teaching in the provincial high schools or in one of the three technical schools maintained by the government. If a teacher is assigned to a provincial high school he becomes a member of a small American community of congenial tastes and high character. His home is usually in the capital of the province, his associates congenial, the surroundings sufficiently comfortable, and his work corresponds very closely to that of a schoolroom instructor in the United States. The work of district supervision is, however, pursued under quite different conditions. The teacher usually lives alone in a town separated by some miles from other communities and very frequently he is the only American resident in a large area. As supervising teacher he is the representative of the division superintendent in the district. He must consult tactfully and helpfully with the municipal president and council, represent the school needs of the locality to this body and obtain their cooperation and financial support. His relationship with the people of the town must be kindly, helpful, intimate, and above reproach. He has under him a corps of native teachers of from half a dozen to thirty, whose work must be laid out before them each week, or, often, each day, and who must be constantly visited and assisted in its discharge. He has the further task of organizing new schools, especially in those barrios or hamlets which are far separated from the town center and which are frequently densely ignorant and lawless. The greater part of his time is spent in school visitation, sometimes on foot, sometimes by horse or vehicle, and frequently by banca or canoe on streams and esteros that connect the different hamlets of the municipality. This work, which must be followed throughout the stormy season, is frequently onerous and perilous, and can usually be successfully discharged only by men of strong constitution and more than usual courage and resolution. Except for the fact that the teacher is accorded respect and protection by practically every class of people in the archipelago this work would frequently contain a considerable element of danger. By reason of their profession, however, teachers are enabled to visit regularly remote hamlets of their districts even in provinces still disturbed by bandits or "ladrones," where a single man in military uniform might not go without personal danger. As a part of their duty these teachers have to acquaint themselves thoroughly with the geography of their districts. They must know each hamlet and road, and they must thoroughly understand the social composition of the community where they are working. This is the work which can obviously only be performed by a man, and for

this reason the great majority of the teaching force is and must continue to be men.

In many cases, however, the assignment of a man and wife together is an excellent arrangement. It allows the man to carry on the work of supervision and organization and affords a woman teacher for the instruction of the more advanced classes of the central municipal school. There are forty-two married couples thus stationed together in districts of large size in the archipelago. Other women teachers in the employ of the bureau are, with few exceptions, stationed at provincial high schools. In both of these kinds of work, women teachers, while their number is necessarily limited, are most acceptable, both to the bureau and to the people among whom they teach. No difference in compensation is recognized between that of the American woman teacher and that of the American man teacher.

Were it not for the warm personal attachments which spring up between the American teacher and the people among whom he lives, his sincere interest in his work, and the cordiality, hospitality and affection of the native people for the teacher, the lives of many of these American supervising teachers would be intolerably lonely. There are a good many cases where they are separated by at least a day's arduous travel by land or boat from any other teacher, and weeks frequently go by them without the sight of another white face. The time, however, seems to pass rather quickly for them. There have been no instances of despondency or melancholia during the past year. These teachers are doubtless sustained against the loneliness of their stations by the realization that a spring vacation during the hot season awaits them, when they can return for some weeks' time to the companionship of men of their own race or can enjoy a wide change of scene and a variety of experience by traveling in the surrounding countries of the Far East. Most of them rent homes in the town centers, have their own establishments and servants, which can be maintained at surprisingly small expense according to American standards. At other times the American teacher, if alone, boards with some Filipino family, and in some cases on the invitation of the cura, makes his home with the priest in the town convento.

The general superintendent wishes to bear testimony here to the manliness and uprightness of the lives of these teachers. They have come from the best homes and in many cases from the best educational institutions of the United States. Although surrounded by conditions trying to character, they have remained true to those ideals of conduct set by the American home and college.

The spirit prevailing among American teachers at the present time is above criticism. The conditions of the service have been carefully defined, teachers have become accustomed to their life, their work is well organized and carefully supervised by the division superintendents, and the past year has seen an exceedingly small number of dissatisfied appointees. These have now, without exception, retired from the service. The teachers of the present force have the correct spirit toward their work, are disposed to do their whole duty, and, with few exceptions, are giving to the service more time than is actually required by law. Greater satisfaction has resulted from the rigor and impartiality with which the rules of the service have been enforced in the past year. The compensation and privileges which teachers receive are now such that the service does not suffer by com-

parison with that of any other bureau. Appointments in the United States are now made exclusively from an eligible list certified by the Philippine civil-service board as a result of examinations conducted by the United States Civil Service Commission. Those appointed contract for two years of service in the islands. Their traveling expenses to Manila are paid, and, in order to protect the government, an amount equivalent to this is deducted from their salaries at the rate of 10 per cent of their salaries per month until the total cost to the government has been repaid. Upon the completion of two years' satisfactory service the amount thus deducted is returned to the teacher. At the end of three years' satisfactory service the teacher may resign and receive transportation of equal cost to the government by any other route, together with half salary for thirty days and full pay for any vacation which immediately follows his resignation. If he elects to remain in the service, but desires to return to the United States on leave, he may be granted such leave, on full pay, for the vacation period of his school division, which is now ten weeks, with sixty days' half salary covering the voyage going and returning. Five hours per day is the minimum of the teacher's service in the schoolroom, while his days of actual service are usually five per week. Additional hours of service may, however, be required of any teacher, and while Saturday is generally a holiday, it may be made a day of duty. The school year is uniform throughout the islands and is fixed by the general superintendent at forty weeks, with twelve weeks of vacation, ten of which are consecutive during the months of April, May and June, and two are at the Christmas holidays. These ten weeks allow every teacher time to visit any of the nearby oriental countries which he may desire to see, and give him a chance to return to this work refreshed by a change of climate and new scenes.

By the provisions of Act No. 1040 teachers are not entitled to vacation leave, but the school vacation is more than the accrued and vacation leave allowed to other civil employees.

There are compensations in the life of a teacher in the provincial towns. First, and most practical, is the question of expense. Living is undoubtedly 50 per cent cheaper in provincial towns, except perhaps Iloilo and Cebu, than in Manila, and this fact has appealed to some teachers forcibly enough to lead them to request that they be transferred to such towns. Again, a teacher in a provincial town, particularly where he is the only American, has opportunity to become a very large factor in the life of his pueblo, and to become an important influence for good. This appeals to the best part of a teacher's nature and is no small compensation for the hardships naturally incident to such positions.

The emoluments and opportunities should and do call forth a class of young men who are products of the best American homes and universities.

CIVIL SERVICE.

Regulations governing the teaching force have been made more definite and satisfactory by reason of having been made a part of the general civil-service rules governing insular employment. This important step became effective by the provisions of Act No. 589 on September 1, 1903. It resulted in placing the entire force of the bureau of education under the same general civil-service regulations

as other branches of the service. The civil-service board is empowered to determine the qualifications for admission to the service. The passing of a written examination was made requisite for eligibility for promotion of those already in the service or of entrance for those seeking admission. This examination has been successfully passed by 30 per cent of the present teaching force, or 217 in all. While for some months there was a considerable amount of misunderstanding of the conditions accompanying the change and a consequent prejudice against it, this was no greater than should have been expected. As the gain in impartiality of treatment became apparent, this feeling was gradually changed until now a general satisfaction appears to prevail on the part of the teaching force with reference to the change.

The most just criticism to which the conduct of this office was formerly subjected by teachers was the difference of treatment accorded teachers in the matters of compensation, leave, and absence by reason of sickness. The danger of such discrimination is entirely removed by the passage of the force under the ordinary regulations governing the service.

Toward the close of the last school year, as teachers presented resignations from the service or requests for leave of absence with permission to visit the United States, a large amount of attention was devoted to adjusting, impartially and according to the conditions fixed by law, the many and various cases that arose. This matter was greatly complicated by the fact that teachers had been appointed at different intervals and had had very dissimilar periods of service, and that the amount of sick leave taken had varied greatly, and was frequently in excess of that allowed by act No. 80, and by the further fact that the additional service in vacation institutes had been very unequally borne. The settlement of these questions for the entire teaching force involved an enormous amount of correspondence and the submission of a very large number of cases to the secretary of public instruction for his decision. At an early date this office endeavored to lay down impartial rules governing separations from the service, the discharge of vacation institute work, and the enjoyment of leaves of absence. (Attention is invited to the circulars on this matter inclosed as an appendix.) Act No. 1040, passed in the month of February, made the conditions of service still more definite, and, while in some respects it made them more rigorous, it was correspondingly liberal in others.

UNIFORM COURSES OF STUDY.

In accordance with his legally prescribed duties, the general superintendent, on the 15th of June, 1904, issued prescribed uniform courses of instruction. Prior to the issuance of the bulletin upon this subject (Bulletin No. 7, bureau of education) considerable diversity existed in all school work.

These prescribed courses are for primary, intermediate, and secondary schools. As stated above, the primary course is taught almost entirely by Filipino teachers, under American supervision. It is planned to have this primary course taught in full in all barrio schools, the pupil to proceed therefrom to the central municipal school for instruction in the intermediate course, and thence to the provin-

cial high school for one of the secondary courses which aim to supply him with a profession or calling. At present, however, in the majority of barrio schools it is not possible to give more than two years of primary instruction, while the central municipal school doing intermediate work is the exception rather than the rule. The provincial high schools are giving their attention in the current year almost exclusively to intermediate work. This condition is indicative of the careful effort that is being made to grade pupils no higher than is warranted by their facility in reading and writing English. Were only the informational part of their training to be considered, as is usually the case for American school children, the resultant grading would be considerably higher than it is, for the Filipino student acquires knowledge of facts more rapidly than facility to explain them in correct English, either written or spoken. No students will be admitted to secondary courses whose written and spoken English is not approximately equivalent to that of an American school boy upon entering high school.

At the opening of the school year 1904-5 there were fully 200 such students in the public schools. In the great majority of these cases this advancement represented the work of but three years under American instruction, a result which speaks for itself of the ardor and capabilities of the Filipino students. To young men of such attainment, however, government positions, averaging fully \$20 gold per month, are open, and it becomes difficult for the pupil of limited means to continue his education at the sacrifice of immediate financial returns. Hence the majority of these students have become teachers or government employees in other capacities, or have been sent to America upon the government scholarships. With such factors contributing to the reduction in number of students presenting themselves for secondary instruction, and with the constantly increasing demand for the services of graduates from the intermediate course, especially as teachers, it has been possible for the bureau to proceed very gradually and carefully in the establishment of the secondary courses herein outlined. Not more than half of the provincial schools have classes as large as twelve which are now prepared to take up secondary courses.

Thus the intermediate course represents the field of work in which the great bulk of "advanced" teaching is being done. The three years of this course are denominated Grades IV, V, and VI, respectively. With but few exceptions, classes of Grades V and VI are found only in the provincial high schools, but it is common to find classes of Grade IV in central municipal schools which have been organized two years or more.

The intermediate course completes the elementary instruction. It aims to give the child an actual practical fitting for life; to equip him for new duties and responsibilities, and to cultivate in him qualities of unselfishness and honor. This course presents at the present time the best field for experiment on new lines, and it is here that the results of education upon the race can be studied most profitably. In the preparation of this course little help was gained by a study of typical school curricula. The principle followed was to select those groups of study most immediately useful and helpful, rather than imitate prescribed lines. There follows an

abstract from Bulletin No. 7 of the bureau of education. This and all other bulletins of the bureau are to be had upon application.

THE INTERMEDIATE COURSE.

(To be given in all provincial schools as a preparation for entrance to the secondary courses, and in such municipalities as can afford the necessary buildings and teachers for this instruction.)

GRADE IV.

Language and grammar (weight, two-fifths).—A third reader. Elements of grammar and composition. Supplementary reading to be chosen.

Arithmetic (weight, one-fifth).—Fundamentals of integers and compound fractions.

Geography (weight, one-fifth).—Chief emphasis upon memorizing the main facts of world geography. Study of the people and economic products of different countries.

Science studies (weight, one-fifth).—Lessons on familiar Philippine plants (three times a week). Boys: School garden or other outdoor work (twice a week). Girls: Housekeeping—care of house, the dining room, bedrooms, etc.; plain sewing throughout the year (twice a week). Physical exercise and athletic games throughout the course.

GRADE V.

Language and grammar (weight, two-fifths).—A fourth reader. Intermediate language book. Supplementary readers. A reader on Philippine history.

Arithmetic (weight, one-fifth).—Fractions, common and decimal, and the metric system.

Geography (weight, one-fifth).—Selective completion of advanced geography, the chief emphasis being laid upon physical features of land and water. Special instruction in the physiography and meteorology of the Philippine Islands—volcanoes, earthquakes, monsoons, typhoons, coral formation, wet and dry seasons, etc.

Science studies (weight, one-fifth).—Lessons on animal life of Malaysia (three times a week). Inasmuch as classes doing this grade of work in 1904-5 have not had the plant studies of Grade IV, their work this year will be divided between plants and animals, the animal studies being taken up in the second half year. Boys: Agriculture; a general course based on a text on elementary agriculture, accompanied by cultivation of staple Philippine economic plants (twice a week). Girls: Housekeeping; cooking and serving meals (twice a week).

GRADE VI.

Language and grammar (weight, two-fifths).—Fifth or sixth reader. Elements of grammar completed. Supplementary reading drawn from epic tales and stories of history.

Arithmetic (weight, one-fifth).—Completed, with special attention paid to commercial operations.

Science studies (weight, one-fifth).—Physiology and hygiene: Human anatomy and physiology, based on text-book work, with demonstrations by the teacher. Study of epidemic diseases, especially through the bulletins of the board of health (three times a week). Boys: Carpentry and ironwork (twice a week). Girls: Housekeeping; care of sick, sick diet, etc. (twice a week).

Government (weight, one-fifth).—The government of the Philippine Islands. Study of the municipal and provincial codes. The instructions of President McKinley to the Philippine Commission. The act of Congress of July, 1902. The class will be organized successively into a municipal council, a provincial board, and a legislative assembly. In the latter body such public questions relative to the Philippines as may properly be discussed by the Philippine legislature may be debated. The class will also read pamphlets prepared by the bureau on Government in the United States, American Politics and Parliamentary Law, and Colonial Governments of European States.

Emphasis upon "science studies."—Larger place is given to science work than is usual in the public schools of America. Training in the English language and literature supplies in the Philippine system the place of the classical studies of American school programmes. Time is gained thereby for that training in exact methods and concrete subject-matter for which there is peculiar need.

Another difference between American and Philippine educational conditions may be noted in this connection. An important function of American educational institutions had lain in the direction of modifying the strongly materialistic tendencies of American life.

No stimulus has been needed to supplement the national tendency toward the acquirement of material benefits. Such tendency has ever been an integral part of the environmental conditions and racial temperament. It has led to the highest material advancement, while the academic spirit has been as a guard against its stifling of the nonmaterial.

Here in the Philippines the demand upon the academic spirit is reversed. The great need of Filipino national life is precisely in the direction of effort to acquire material benefits. The graces of the culture studies may well await later lessons. The crying need now is for a stimulus which environment and racial history have for centuries denied—a stimulus to “practical” activity. It is with that training which gives the most tangible benefits that our secondary and specialized education proposes to concern itself. Elementary training of such character is given under the “science studies,” while the bulk of the work in the secondary courses is to the end of efficient and scientific conduction of various industrial activities.

We look to the Japanese for illustration of very much that is helpful in solving Philippine problems. There the most notable educational achievement of modern times has been effected. They have shown no conservatism in the work of national regeneration. Nowhere is this more apparent than in their educational system. In it we find a remarkably large place given to those subjects of which Old Japan was ignorant and in need and which in an educational scheme may be grouped as “science studies.” Under this caption the Philippine courses of instruction prescribe a large amount of work which finds its subject-matter in those things which most closely touch the daily life of the Filipino and affect his economic status.

Education in the Philippines is concerned with a people whose lack of exactness, especially in their mental processes, is a conspicuous racial fault. The Filipino has an instinctive and intense reluctance to admit ignorance. This characteristic has often earned him an otherwise undeserved reputation for unreliability or dishonesty. He fails to appreciate the desirability of accuracy. Training in science, properly given, will develop a new respect for exactness and a conception of the inexpediency of misstatement, proving, perhaps, a better corrective than methods which meet this fault by more direct attack.

The plant and animal studies place emphasis upon economic values. They give to all students information fundamentally related to the improvement and expansion of agriculture in the islands, information which is more expanded and accompanied by practical field work in the secondary course in agriculture. Their pedagogical purpose on the other hand is to induce accurate first-hand observation and reasoning about facts observed. Especial difficulty lies in overcoming the tendency of the Filipino pupil to learn merely by rote. The science studies largely eliminate the use of this method in that they require answers as the fruit of reasoning rather than of memory. Filipino boys and girls are quite alike in their enthusiasm for work which is out of doors, away from the printed page, and concerns things which they can handle, which they have seen

every day, and which have very considerable economic importance for them.

In this work each pair of students is provided with a dissecting microscope and dissecting instruments, while the teacher has a compound microscope for demonstration purposes. The note and drawing books prepared by the pupils compare more than favorably with those prepared in America in similar work at this stage. In so far as a text is necessary, texts are used which are based wholly upon local material and were written especially for this purpose.

Agriculture.—As a practical part of the "science studies" the boys in the intermediate course receive instruction twice a week in garden work and agriculture in the first two years. In the secondary courses place is provided for the further elaboration of this work. On account of conditions already described this work has not been fully installed, but full equipment has been sent to the following schools:

The provincial high schools at Capiz, in Panay, and Tuguegarao, in Cagayan, are well supplied with equipment for agricultural work, both of intermediate and secondary character. The work in these schools has been in operation for about a year and the results obtained exceed reasonable expectations. The provincial high schools in San Isidro, Nueva Ecija, and in San Fernando, La Union, are also equipped with tools for intermediate work of this description. The provincial high school of Batangas is preparing to give agricultural work of a still more extensive character. Cooperation has been begun with the experimental farm conducted by the bureau of agriculture at Batangas, and a well-trained teacher of scientific agriculture is stationed in the school. Additional schools are to be supplied with agricultural tools and equipment as rapidly as suitable tracts of ground are secured.

Carpentry and ironwork.—Equipment for carpentry teaching has been more fully supplied. The high schools at Cavite, Cebu, Batangas, Tuguegarao, Bacolod, Pagsanjan de Laguna, Tarlac, San Fernando de Union, Tagbilaran, Capiz, San Isidro, Masbate, Tanauan in Batangas, and Romblon are all supplied with tools and in most cases with qualified instructors, three of whom are graduates of American polytechnic institutions. Special teachers for this work have also been assigned to Cavite, Cebu, Batangas, and Tuguegarao. At Batangas a separate school building for this work was erected a year ago. At Tuguegarao and at Bacolod provision has been made for the erection of shop buildings on a larger scale than any yet provided, which will admit of machine tools, power engines, and complete outfits for wood and iron working. The schools of San Fernando de Union and Tuguegarao are also provided with ironworking tools. At Apalit, Pampanga, a small ironworking shop is under construction, which will be equipped with forges, bench tools, and drawing equipment. It will afford provision for the instruction in this trade of sixty boys at one time. The reason for locating the school at this point is that Apalit contains quite a considerable population of smiths and ironworkers, and public interest is very great in having this trade taught in an improved manner. The people of the town subscribed sufficient funds to purchase a good site of land and the municipality borrowed from the province the sum of ₱1,000 for the erection of a shop.

The sum of \$22,000 has this year been expended for this class of work. Among the items included in this order are eight class equipments of carpentry tools, eight of drawing instruments, and three of ironworking tools, each equipment being complete for a class of twenty. The equipment of schools for this work will probably go forward quite as rapidly as that of gardening and agriculture, although the work of securing sufficient ground for more than a small school garden is progressing very steadily. Many of the municipal schools also are giving special attention to the preparation of small garden plats by the boys, and special encouragement is given to the decorative treatment of school grounds.

Housekeeping, etc.—While the boys in the intermediate grades are engaged twice a week in gardening, agriculture, or tool work, the girls of the same classes at corresponding periods are to be given practical training in housekeeping and decoration, sanitation, cooking, care of children and invalids, sewing, etc. An excellent and most suggestive beginning has been made at the high school at Iba, Zambales, which has been followed by similar instances at Batangas, Tarlac, Tuguegarao and a few other schools. For this teaching a "model Filipino house" is to be built adjacent to all schools giving intermediate work with a kitchen garden, and the improved yards and surroundings. Some of these houses are already in process of erection and the bureau is preparing a special bulletin dealing with instruction in these matters. This bulletin is being compiled from contribution from various teachers interested in this work, and includes many recipes for the preparation of Filipino foods. The aim is to give training in domestic management within the financial capacities of the average native family. Matters of diet, improved methods of preparing and serving foods, table manners, etc., are made the subject of actual demonstration and practise. The furniture for these buildings will be built by boys in the school shops on plans furnished by the bureau.

Training in government and civic duties.—Of equal importance is the need of training in civic life. If we are to look forward to the time when the Filipino people are to be, at least in a large part, self-governing, certainly the obligation exists to supply the best possible training to that end. Hence, special emphasis is placed upon the teaching of methods and ethics of government, of the social relations and obligations of the individual, of fundamental political economy, and especially of the rights and right use of the elective franchise. There are in the public schools at present 12,000 male pupils who within the next three years will reach the age of 23 and will attain elective franchise through possessing the educational qualifications. Within six years upward of 60,000 will similarly attain the franchise. The necessity for giving these pupils, without delay, adequate instruction in civics and politics is manifest and such provision is made in all three of the courses of study. In the primary course special instruction is given to the older boys who are unable to continue their study in intermediate schools. In Grade VI, the last year of the intermediate course, very thorough study is made of the present system of Philippine government, familiarity is gained with the municipal and provincial codes and other important acts of the Commission which are put into the hands of the students. State papers dealing with the Philippines are also read, and particular examination made of the act of Con-

gress of July 1, 1902. Additional work in government and colonial history is prescribed in the secondary course.

Physical exercises and athletics.—There is manifest need for large attention to these matters. The Filipino is underdeveloped physically. This is particularly true of the students in the high schools, whose social position relieves them of all forms of manual labor and exercise. It is true of the boys even more than of the girls. That great progress can be made in their physical development under proper conditions has been demonstrated. In the case of students sent to America on government scholarships, improvement has been noticed at the end of a single year's residence in California, involving as it did participation in American athletic games and exercises, and the enjoyment of a more nourishing diet.

Many cases of physical injury, at least of a temporary character, have resulted from overzealous efforts on the part of students in preparing their class work. The average high school student, if required by his teacher to prepare more than a due amount of work, will deprive himself of a proper amount of sleep in order to accomplish it. This has been especially noticeable in the case of students in attendance upon vacation normal institutes. Young men and young women on these occasions have been found to be continuing their studies until 1 or 2 o'clock in the morning, resuming them at 6. In these cases regulations limiting the hours of study and retirement were necessary.

Provision in the new courses of study for but five recitation periods of forty minutes' length per day was made largely with this point in view. Sufficient time is thereby allowed for outdoor games as well as indoor physical exercises, and American teachers have been directed to give special attention to this work. An athletic spirit has been fostered among the boys, who, at nearly every high school, have organized baseball teams. Interscholastic games have been arranged. Filipinos take to baseball with enthusiasm and show remarkable skill at it. They need no stimulus to school spirit in the support of their teams. At the provincial schools, as rapidly as conditions permit, facilities are to be provided in the way of outdoor gymnastic apparatus, cinder tracks, dressing rooms, and baths.

As noted in another part of this report, attention is also being given to improvement of the usual Filipino diet so far as the circumstances of the average family will permit. This is especially to be fostered in the case of the diet of infants and young children, and of children attending school. The rate of infant and adolescent mortality, as has been reasonably established, can be greatly reduced by somewhat more careful attention in the manner of living and diet in early years.

SECONDARY SCHOOLS.

After what has been previously stated, it will be understood that secondary instruction is only beginning with the current school year. Schools for more advanced instruction than that provided by the primary course were intended also to provide for students whose greater age makes them reluctant to attend the barrio schools. Legal provision was made for these institutions in Act No. 372, quoted above. Such schools have been organized in 35 provinces, with attendance varying from 75 to 600. By an understanding which has

already been suggested, the provincial boards are expected to provide by rental or construction for housing of these schools, while the bureau of education supplies teachers and educational equipment. This arrangement has led to the designation of these schools for higher instruction as "provincial schools," i. e., schools supported, at least in part, by the provincial governments. This somewhat ambiguous expression has been recently modified upon the forms of the bureau into "provincial high schools." There are, in addition to these, two high schools in the city of Manila, maintained entirely out of insular funds with the exception of the rental of the buildings, which is paid from appropriations by the municipal board of Manila. American teachers are provided for these schools in about the proportion of one to each fifty pupils, and the work of the pupils is organized upon the basis of five forty-minute recitation periods, exclusive of music. Inasmuch as the teaching service required of each teacher is five hours per day, such basis permits the arrangement of schedules in the proportion of four teachers at most to each five classes, so that no classes exceed forty in size.

As has been stated, these schools are not at present doing the work of the prescribed secondary courses. They are almost wholly engaged in the work of the intermediate course. This work, however, is to be relegated as rapidly as possible to the central municipal schools, leaving the provincial high schools to perform their intended function, which is to act as training schools for fitting young men and women for certain definite occupations demanded by the economic conditions of the respective provinces, or for entrance into colleges or universities of American type. The vocations for which the secondary courses will prepare are teaching, agriculture, business, and several arts and crafts. In such capacity the provincial high school has a work before it which is not comparable to that of the American high school. Its scope will be broader, its curriculum more devoted to technical subjects, and its whole relationship to the people whose needs it seeks to meet is larger and more vital. Under present conditions of transportation and travel, the provinces of the Philippines are almost as remote from Manila, at least for educational purposes, as the various States of the United States are from Washington. Hence it becomes desirable that the provincial high schools should seek to provide for all such educational needs as are immediately demanded in their respective provinces so far as circumstances allow. Each province must be to a considerable extent educationally independent, and the provincial high school is the center of its system. It will perform, as the time comes, the function of general libraries, of public lecture courses, and of polytechnic and normal schools. It will be to the province, in a smaller way, what colleges and agricultural schools, schools of music and fine arts, and even State universities, are to the States. These schools will seek to so relate themselves in every possible way to the educational needs of their environment as to be of greatest benefit to the largest number. The secondary courses to receive chief emphasis will depend upon the particular economic conditions of each province, that a fortunate relation may result between educational opportunities and public needs.

The government of the Philippines has expended, and probably will continue to expend, large sums upon the work of various bureaus organized for scientific investigations. The primary purpose of these

bureaus is their benefit to the Filipino people. The result of their work appears from time to time in the form of bulletins of more or less technical phraseology. The great amount of valuable information imparted thereby will be comparatively inaccessible to the public as a whole unless it be imparted through the agency of the school. The bureau of education, especially through its provincial high schools, seeks to act as an intermediary of the scientific bureaus and the people.

To the ends which have been outlined, secondary courses have been organized as follows:

I.—THE COURSE IN LITERATURE, HISTORY, AND THE SCIENCES.

This course will compare with the American high school course, although the requisites for admission are less difficult and several courses taught in American high schools here receive less consideration. This will be most noticeable in two lines. The first is the classical languages. The slight attention paid to Latin and the elimination of Greek are made necessary by the importance of other subjects which must, in view of immediate needs, be emphasized. While in the United States we depend, in our training of the youth, upon Latin and Greek for giving breadth of mind and depth of intellectual and moral insight, here in the Philippines we must depend upon English literature for these same purposes. It is believed that English is adequate to impart these essentials of education, both in disciplinary and spiritual aspects. The other notable difference is in the teaching of higher mathematics. There can be found place in such a course as this for hardly more than the briefest elements of algebra and geometry. Advanced work in these branches, in trigonometry, and the higher mathematics must necessarily be left to be pursued in special courses leading up to professional training. The course has been drawn to emphasize the subjects of education which have heretofore been much neglected in the Philippines, and these appear to be literature, history, and the modern sciences.

This course will doubtless receive modification as it is put to the test of actual trial, but a provisional outline of the subjects of study follows:

English literature.—The first two years' work will deal with minor prose and poetical selections, including at least two complete works or poems. Irving's *Alhambra* and Longfellow's *Evangeline* are suggested for the first year. The work in the first half of the third year will be devoted largely to the English drama. The pupils will read *Julius Cæsar*, *the Merchant of Venice*, and other plays. In the second half of the third year the study will be English fiction, and several standard novels will be read. In the fourth year a study will be made of the essay and the oration. In this last year of work, as a part of the study of argumentative literature, attention will be given to the elements of logic, the pupils seeking their illustrations in the works which they are studying, and constant effort will be made to strengthen the reasoning faculties of the pupils.

Composition, themes, and the preparation of rhetorical parts to be read or delivered before the school assembly will be a feature of the work throughout the four years.

History.—The study of history will be carried through the four years. It will commence with the study of Philippine history, the first half year being devoted to the general outlines of the social and

political history of the islands, and the second half year to the study of the history and status of Philippine industry and commerce. In the second year the pupils will take up general European history, covering the history of Greece and Rome and the early Middle Ages. In the third year the pupils will study the modern history of Europe and European colonies, and in the fourth year the work will be devoted entirely to the political history and institutions of the United States.

The sciences.—In the first year the science work will be a systematic treatment of botany; in the second year the anatomy and physiology of animals; in the third year physiography, paleontology, and meteorology, with some attention to general anthropology. In the fourth year the work will consist entirely of physics, with individual laboratory work and experimentation for the pupils.

Mathematics.—In the first year the elements of algebra, and in the second year the elements of plane and solid geometry will be studied.

Language.—The student may elect either Latin, Spanish, or French and the work may be carried through the four years. Probably the best plan for the students to pursue will be to take Latin for two years and Spanish or French for two years, and such courses in language can be arranged for those who desire to take the language work.

II.—THE COURSE IN TEACHING.

This course will cover only two years in the provincial schools. Students who desire to follow the training for teachers further should, after the completion of this two years' work, be admitted into the Philippine Normal School at Manila for two years of final instruction. In the first two years of the course in teaching the study of literature, history, mathematics, and the sciences are identical with the course in literature, history, and the sciences.

Theory and practice of teaching.—In place of languages the pupil enrolled for the course for teaching will be given daily instruction in methods of teaching. In the second year he will study the school systems of the United States and European countries; the progress of education in the Far East, particularly in Japan, will receive attention, and all students in this course will receive careful instruction in matters of the school law and school organization in the Philippine Islands. In addition to this work, all pupils in the course for teaching will be given daily training in a primary practice class, which will be made up of little children, and conducted in connection with the provincial school.

III.—THE COURSE IN COMMERCE.

English.—The English work in the first two years of this course will follow in the main that of the course in literature, history, and the sciences, and in addition the pupils will receive a large amount of drill in copying from dictation and in orthography.

Mathematics.—Bookkeeping, to include journalizing, single and double entry, posting to ledger, submission of accounts, bank accounts, trial balances, balancing of books, expediting of accounts, and auditing. Business accounts, to include mensuration, weights and measures, systems of currency in use in oriental trade, metric system, percentage, commission, commercial discount, computation

of taxes, duties and customs, insurance, interest, promissory notes, bank accounts, saving-bank accounts, exchange, etc.

Commercial geography.—This subject will be given in the first year of the course in commerce. It should include the study of staple products of international commerce, with the conditions of their production, their markets, and factors determining their prices. A text on commercial geography will be read. Study of United States Consular Reports and similar literature will be made.

Modern languages.—The study of Spanish, French, or some other modern language should be carried through the two years of this course, special attention being paid to the commercial use of these languages.

Commercial law.—In the second year a text-book on business law will be read, and a special study will be made of the Philippine commercial code and the acts of the Philippine Commission which modify its provisions.

History.—In the first year's work history will conform to the course in history of the Philippines prescribed in the course in literature, history, and the sciences. The second half of the first year's work will take up the study of the history of Philippine industry and commerce, and, in the absence of text-books, will require considerable preparation on the part of the teacher. The following topics are suggested for this subject of study: The old Acapulco trade and the restrictive measures of the Spanish Government for the protection of the interests of the peninsula; the Government's attempts to foster special industries, beginning with the governorship of Arandia; the tobacco monopoly; the economic society "Amigos del Pais;" the opening of the port of Manila to foreign commerce in 1835; American trade with the Philippines between 1835 and the civil war in the United States; the compilation of statistics upon Philippine trade since the opening of the port of Manila in 1835; the hemp industry; the sugar industry, including the development of the sugar "haciendas;" special study of the markets for the staple Philippine products; effect upon the industries of the Philippines of the protective systems of Europe and the United States; the students, under the direction of the teacher, to pursue original investigations into data concerning Philippine commerce.

Stenography and telegraphy.—In the second year of the course in commerce the pupil may elect to pursue either stenography or telegraphy. One year's work in either of these subjects, if entered upon with proper qualifications, will prepare the student fairly well for a position as stenographer or telegrapher. The work in the second year is so arranged as to allow two daily periods for practice work in either of these subjects.

Throughout the two years of the course the student should have constant practice in the use of the typewriter. Machines can be employed in connection with the work in English and other branches.

IV.—THE COURSE IN AGRICULTURE.

Literature.—The first two years in English will conform to the work in the course in literature, history, and the sciences. In the third year of this course the pupil may take either the third or fourth year work in literature, as he may elect.

History.—The work in history will likewise conform with that in the course in literature, history, and the sciences. The student may, if he choose, elect the fourth-year history work in place of the third year.

Science.—The science required will follow the prescribed subjects of study in the first three years of the course in literature, history, and the sciences: Botany in the first year, anatomy and physiology of animals in the second, physiography, etc., in the third year.

Agriculture.—One period of work each day will be devoted to agriculture, as a class subject, and one period each day to field work, which should be considerably extended by work in field and garden outside of the regular school hours. No detailed requirements for this work in agriculture are here given. They will be the subject of general experiment and will be prescribed at some future time. It may be stated, however, that the subjects to be taken up should include tropical plant crops, their selection, propagation, cultivation, and care, including the use of fertilizers, protection from injurious insects, etc. Study should be made of plant diseases and the economic treatment of plants or plant technology. Consideration may also be given, if time permits, to trees of economic value of the Philippines, their preservation and propagation, although the general subject of forestry will have to be added as a post-graduate course to the general course in agriculture. Provision is made in other branches of the cognate sciences covered in this course for general instruction in the elements of botany, the elements of entomology, and meteorology.

The breeding and care of domestic animals, with veterinary science, will have to be treated somewhat differently in different schools, as local conditions determine. Work in agricultural and physiological chemistry and agricultural geology can not be directly pursued as a subject of instruction by the pupils, but in many schools, in connection with the agricultural instruction, it may ultimately be possible to establish a small laboratory for investigation into soils and fertilizers and for the analysis of farm products, and for other investigations into the resources of the islands, such as dyewoods, medicinal plants, fungi, new food products, etc.

In connection with the work of the courses in arts and crafts, the agricultural classes can make investigation into local arts and industries, such as dyeing, weaving, pottery manufacture, etc. It has been found in the agricultural schools in Japan that a considerable impetus has been given to the native industries of the country by such work as is here outlined.

V.—THE COURSES IN ARTS AND CRAFTS.

The two lines of work at present are woodworking and ironworking. Two years of this work should be done in the provincial schools, and pupils desiring further instruction should be admitted into the Philippine School of Arts and Trades, where they may elect to follow any one of the courses given in that institution, and which will ordinarily require two years of further work.

English.—In these courses for provincial schools the English will require two years and will be the same as that prescribed for the other courses.

Mathematics.—The mathematical work will be algebra in the first year, and plane and solid geometry in the second year.

Mechanical drawing (will extend through both years).—First year: Care and use of materials; orthographic projection (elementary); drawing from models; practical applications; inking; free-hand drawing. Second year: Orthographic projection (advanced); development of surfaces; intersection of solids; isometric projection; cabinet projection; practical applications; tracing; blueprinting; detail and working drawings of simple pieces of machinery, patterns, carpentry work, etc.

Woodworking (choice to be made between this subject and metal working).—Two years of hand work covering the following subjects: First year—Carpentry; reading of working drawings; use of rule and square; sawing to gauge; truing up working faces and edges; gauging to width and thickness; boring and chiseling; care and use of tools; names of tools and operations of work. Second year—Reading of plans; grinding, setting, and mending tools; elementary joinery; rabbeting; dadoing; paneling; mitering; gluing; varnishing, shellac-ing; wood turning (elementary); construction of furniture, cabinets, desks, tables, etc., house framing—construction of doors, windows, stairways, etc.

Metal working.—First year: Vise work; chipping cast iron; filing to a gauge or dimensions; chipping wrought iron and steel; fitting keys in chipped key ways; scraping to surface; making small tools. Second year: Vise work; chipping oil ways; making small tools and instruments and other advanced work; blacksmithing; welding; brazing; forging; tempering of tools; use of stocks and dyes; babbitting; drilling.

The courses in the Philippine School of Arts and Trades in which the graduate of the provincial high school in a course in arts and crafts may secure advanced standing, are as follows: Architecture, cabinetmaking, carriage building, wheelwrighting, wood turning and pattern making, blacksmithing and tool making, course for machinists, steam engineering.

SCHOOL BUILDINGS.

The previous discussion of school finances shows that with the contemplated gains and additions, the revenues, for the coming year will be sufficient to provide for 5,000 Filipino teachers, or what is believed to be an adequate native force properly paid. There remains, as the most serious problem confronting the bureau of education, the question of adequate school buildings and furniture. After the payment of Filipino teachers, very little remains from the municipal school funds for the repair of old buildings or the erection of new. These funds promise to be sufficient in the immediate future for no more than teachers' salaries, and in order to maintain a properly paid and competent force of Filipino teachers no effort should be made to divert them to other uses.

School buildings which were erected by the Spanish Government are still standing, and to some degree serviceable, in at least 374 municipalities. Their total number summarized from recent reports is 534. These buildings, though usually substantially built of stone or brick, are as a rule poorly lighted and seldom of a type that conforms to good schoolhouse designs. During the military occupation,

many of these buildings were occupied as army storehouses or offices. In some cases they were destroyed in the course of war. Others have been rendered unfit for use by decay. In most cases, however, where the expense was justified, these buildings have now been reconstructed or repaired.

Building has been exceedingly expensive in the islands ever since the American occupation, and, while less so now than at any time during the past five years, is still costly. Furthermore, school buildings were never erected by the Spaniards in the numerous hamlets of which each municipality is composed. The public school building was always located on the plaza and was never built large enough to house more than a fraction of the children of the pueblo who are now presenting themselves for instruction.

Thus the narrow sites or poor construction of the Spanish school-houses, their inadequate size even where they still stand, the absence of buildings in the barrios, and the fact that no buildings whatever for secondary instruction were erected by the Spanish Government, have compelled the bureau of education to begin practically at the bottom and plan an entirely new system of public school buildings for the islands. The plan adopted contemplates three kinds of school buildings—the barrio school, the municipal school, and the group of high school buildings.

Municipal school buildings should be erected in the town center for the teaching of the primary classes as well as those who will take the intermediate course. These buildings should be of durable materials, well constructed, and should be surrounded, as the present buildings are not, by playgrounds and room for school gardening, a "model Filipino house," and shops for elementary instruction in tool work. There should be one of these for each organized municipality in the islands. In some cases, where two municipalities have lately been consolidated, such a school building should stand in the center of each of the old municipalities, and for the entire archipelago probably not less than 300 new structures are needed. Where the old buildings are still serviceable an immediate effort should be made to secure as large a school ground as possible, and no expensive improvements should be made where such land is not obtainable.

For the instruction of the population scattered through the barrios of the municipality there is needed a number of barrio schools in each school district. For the present these will have to be for the most part of cheap construction. Use should be made of native thatch and bamboo, which are known in the Philippines as "light materials." An effort is now being made to have set apart in every barrio a suitable piece of land for school grounds, embracing from one to two acres, and to have this piece of land deeded to the municipal government as a permanent site of the school, cleared, improved, and inclosed with a fence. A piece of land of this size will permit of recreation grounds, ball field, and school garden. A suggestive plan of such grounds and buildings, which has been widely circulated among the division superintendents and in numerous cases is being followed, is attached to this report.

In the third place, there are the buildings necessary for the provincial schools. The plan of instruction for the several departments requires, rather than a single building, a group of buildings with an attractive campus on the pattern of a small American college. These

buildings should include a central recitation hall with, in some cases, a separate auditorium and library building, dormitory cottages for both young men and young women, a building with four science laboratories, shops for wood and iron working, agricultural buildings, and, when possible, a gymnasium. Such a group of buildings necessitates a campus of at least eight to ten acres of land. The idea of a secondary school which previously has prevailed in these islands has been a large cloister-like structure situated in the heart of some municipality, and with no grounds or gardens except an interior court. It has taken a little effort to educate the public mind away from this type of school building. Early in the school year attention was called to the desirability of securing large grounds for future groups of buildings, and this was followed by the preparation of plans of a suggestive character which have been widely circulated among division superintendents and provincial boards. The result has been a gradual enlargement of the conception of a provincial school in the minds of the people and of the teaching force.

The work of school building, then, follows these three main lines:

First. The acquisition of suitable sites and buildings for the provincial schools.

Second. The repair, enlargement, or new construction of the municipal schoolhouses in the town centers.

Third. The construction of barrio schoolhouses in as many of the surrounding hamlets of a town as justify the opening of a school.

A splendid response has been given, especially to the first part of this programme, as will be seen by the following recapitulation of the steps taken by the provincial boards in the different provinces to this end:

Ilocos Norte.—The high school is at present accommodated in a temporary building in the town of Laoag. This building is partly of light material, but it is of excellent construction. The frame, floors, and exterior walls are of hard wood and the roof is of iron. The building is inadequate for the present attendance, and permanent provision will have to be made at an early date for a suitable site and new buildings. The school will not, however, be removed from Laoag.

Ilocos Sur.—In this case the province secured by grant from the insular government an unfinished building, begun in Spanish times as a quartel for the guardia civil. This building stands in the center of the town of Vigan and unfortunately its location does not permit of extended grounds or campus. The advantage of possessing a building already in large part erected counterbalanced the disadvantage of location. To complete the building the province secured a loan from the insular government of ₱20,000 (Act No. 1076) and work was begun some months ago. It promises to be in satisfactory state for occupancy by January 1 ensuing.

Abra.—A loan of ₱6,000 was also procured from the insular government by the province of Abra for a high school building. The utilization of this money has not yet been fully determined. It is probable that the province will turn over to the provincial school the former provincial building and that the money will be spent in the improvement and repair of this structure.

Union.—The site which has been selected adjoins the town of San Fernando, and comprises about 8 acres of land. The provincial

board has signified its intention to procure as soon as possible funds for commencing work on the most needed buildings.

Nueva Vizcaya.—The provincial board has secured a site in the town of Bayombong where the school is at present established and has plans to erect two buildings, one a central recitation hall, and the other a shop for elementary work in wood and iron. Tentative plans for these two buildings have been prepared by the architectural draftsman of this bureau, and attention is invited to the appended illustrations.

Cagayan.—The high school here has been in operation for nearly two years and has attracted a very desirable class of students. The provincial board in the month of October last purchased at an expense of P17,000 a very large private building from the Tabacalera Company with surrounding grounds which amount in all to 16½ acres. The provincial board has been exceedingly active in supporting this institution and is preparing now to build shops for wood and iron working along the lines and plans prepared by this bureau. The board is also erecting a "model Filipino house" for teaching house-keeping, and is seeking a loan from the insular government in order to complete as rapidly as possible the series of buildings necessary for the full equipment of the high school.

Isabela.—A provincial high school was opened in this province last month. Previously there had been but one high school for the division and that was at Tuguegarao, the capital of Cagayan. The provincial board has not yet made any permanent provision for the erection of buildings or the securing of a site, owing to the recent date on which the institution was opened.

Pangasinan.—The high school of Pangasinan is located at Lingayen and is at present accommodated in five large buildings rented by the provincial board. Propositions have been submitted to the four towns of Lingayen, Dagupan, Calasiao, and San Carlos for offers of lands and endowment for securing the provincial school. The proposition of Lingayen is to give a part of the municipal plaza, a tract now covered by a temporary market, and a bonus of P5,000. This offer will probably be accepted by the provincial board and the construction of permanent school buildings begun at an early date.

Tarlac.—The province of Tarlac was the first to erect of its own effort a building for a provincial high school. The present structure faces the plaza, and, while the area of land at present owned is small a larger amount can be obtained adjoining the present site. The building is of wood and of American type. It was completed last December. The province has also rented a building for a girls' dormitory in order to enable young women from surrounding towns to enter the provincial school and find a suitable home at the provincial capital.

Pampanga.—The provincial capital has been recently moved from the town of Bacolor to San Fernando, which has, from the time of its opening, been the site of the provincial school. The town of Bacolor has offered to donate to the province for the purpose of a provincial school a very excellent structure erected in Spanish times as an "Escuela de Artes y Oficios." The town of San Fernando has responded with a proposition to donate a considerable tract of land in that town as a campus and site for the provincial school and will probably also offer a considerable sum of money.

Bulacan.—In Bulacan there was great rivalry between the town of Baliuag, the present site of the provincial school, and Malolos, which has this year been made the provincial capital. Both towns offered sites of land and large bonuses of money. The offer of Malolos was accepted.

Manila.—In the city of Manila two high schools were opened in June a year ago and have made excellent progress. These schools are housed in rented buildings, one in the district of Tondo, the other in the district of Sampaloc. Owing to the great difficulty in obtaining suitable sites of land in the city of Manila, no permanent buildings for these schools have yet been erected, but a large new schoolhouse will soon be commenced in the district of Trozo, and other large school-houses are planned for other parts of the city.

Nueva Ecija.—There was keen rivalry here between the two towns of San Isidro and Gapan to gain the provincial school. Both towns offered admirable tracts of land. Gapan, which is an excellent school town, offered a wide choice to the provincial board. The town of San Isidro, however, has been finally selected by the board as the site for the high school, and the work of leveling and otherwise improving the site, which was donated by the acting governor, is already in progress. The province of Nueva Ecija secured a loan from the insular government of \$7,500 United States currency for the purpose of erecting the most needed buildings, and the corner stone of the principal building has been laid. It is expected to be ready for occupancy by January 1, 1905.

Batangas.—The provincial board of Batangas purposes to secure an admirable site of land embracing about 8 acres adjoining the town of Batangas. They have also secured an appropriation from the war emergency rice fund of ₱50,000 (Act No. 775), and plans for the central recitation building were prepared some time ago by the insular architect. Work will soon be undertaken. Of the above amount, ₱5,000 has already been expended for the construction of a manual training school building.

Bataan.—The provincial school of Bataan, the little province across the bay from Manila, was opened only last June. About 80 pupils are in attendance. The governor of the province has been exceedingly solicitous for the establishment of this institution, and has offered to the provincial board all necessary lands from his own private estate in the town of Balanga. The school is at present occupying a portion of the provincial government building.

Zambales.—The site for the provincial school has been selected by the provincial board. It lies between Iba, the provincial capital, and Botolan. Provisional plans have been drawn for the main building.

Laguna.—The provincial high school in this province has been transferred this year from Santa Cruz to Pagsanjan. It is at present housed in several excellent buildings rented by the provincial board. The town of Pagsanjan is ready to donate a considerable tract of land and to give other assistance to the school if the provincial board decides to make this the permanent site.

Rizal.—The site for the provincial school is not yet decided upon. The capital of this province has been transferred within recent months from Pasig to San Felipe Neri. The high school is at present at Pasig. It will probably be possible to secure an excellent tract of land in one of these two towns. The town of Malabon, which is situ-

ated in the part of Rizal north of Manila, has also secured an excellent piece of ground for an intermediate school, with provisions for shop work, boat building, and agriculture. This piece of land comprises about 300 by 225 meters, and is the gift of the insular government. It was formerly a tobacco factory, "La Princesa," built years ago by the Spanish Government when it held a monopoly of tobacco manufacture. The stone walls of the buildings then erected are still standing, and can in several cases be repaired and will make excellent school buildings. The wood and iron work of the minor buildings, with the exception of floors and roofs, the ornamental wrought-iron gates, arbors, etc., can be done by student work in the wood and iron working shops. The sash and doors of most of the buildings will be made by the woodworking shops as soon as same are in operation.

Cavite.—The provincial school is at present located in the town of Cavite, but as there is no site of suitable extent within the town, situated as it is upon a narrow isthmus, it will probably be necessary to make the permanent site of the high school elsewhere. At the present time the provincial institution is housed in a building formerly used as a Spanish hospital. Although in possession of the municipality, the title to these buildings is in dispute.

Tayabas.—The high school is at present located at Lucena, the capital, but a strong effort is being made on the part of the town of Luchan to secure its transfer to that town, and there appears to be little doubt but that a free gift of land can be secured from either town.

Camarines.—The provincial school is located in Nueva Caceres in a building rented by the provincial board. Negotiations are now under way whereby a large tract of land adjoining the town will be given to the province by the municipality as a permanent site.

Albay.—The provincial school is at present located in Guinobatan. The permanent site of the institution has not yet been decided upon by the provincial board. The sum of ₱35,000 of captured insurgent funds was donated to this province for school construction. The provincial board has requested authority to apply this sum toward high school buildings.

Sorsogon.—A fine tract of land adjoining the town was donated to the province, which also secured from the insular government an appropriation of ₱10,021.23 from captured insurgent funds (see Act No. 858) for the erection of buildings for this purpose. Plans for the main building are now under consideration.

Romblon.—An excellent tract of land, embracing about 8 acres, and lying on a slope immediately above the town of Romblon, was secured by the provincial board from the municipality and forms an admirable school site. A loan of ₱8,000 was secured by the provincial board from the insular government (see Act No. 1076) and plans for the first building have been prepared by the bureau of architecture. Construction is about to begin. Several thousand dollars' worth of lumber, stone, lime, and labor are being contributed by the municipalities of the province. This, in addition to the modest sum borrowed by the province, will make possible the construction of a central recitation hall. Temporary provision will also be made for workshops, for a tool house for agricultural implements, etc.

Mindoro.—A provincial high school is about to be opened at Calapan. It will be housed in the excellent municipal school building erected by the municipality last year.

Masbate.—The municipality of Masbate has donated a tract of land, embracing a dozen or fifteen acres, adjoining the town of Masbate, and the provincial board is seeking an insular loan to erect the necessary buildings. These will consist of a central recitation building, dormitory, and shops.

Capiz.—The provincial school here is housed in the provincial government building. The province has so far been unable to make provision for either land or buildings.

Antique.—The provincial school is located at San Jose de Buena Vista, the capital town of the province. In spite of the poverty of this province the provincial board has requested a loan from the insular government of ₱6,000 in order to purchase a private dwelling house and grounds which are offered for sale and which will make an excellent edifice.

Iloilo.—The provincial school here, which has an enrollment of 550 pupils, is housed in two buildings rented by the provincial board. A loan of ₱100,000 was requested by the provincial board of Iloilo from the insular government for the purpose of securing a site of land and erecting the necessary buildings. Owing to the state of the insular treasury this request had to be refused. The growth of this school and the great importance of Iloilo as an educational center demand some large and prompt provision for its permanent accommodation.

Occidental Negros.—A beautiful tract of land in the town of Bacolod was purchased outright by the municipality and given to the provincial board for a permanent site for the high school. This tract of land embraces about 8 acres and extends from the main street of the municipality to the beach. The municipality further made a large donation to the province of building stone to be used in the construction of the first building to be erected. The province secured from the insular government a loan of ₱20,000 (see Act No. 904). Plans have been prepared by the insular architect, and the first edifice is now in course of construction. The provincial board also plans to put up at once a large shop building for iron and wood working, and will add the other buildings as their circumstances permit. This excellent provincial institution is at present housed in three buildings rented by the province, one used as a central recitation hall, and the other two as dormitories for young women and young men.

Oriental Negros.—The municipality of Dumaguete has donated to the province a tract of land extending from the town plaza to the sea and embracing about 6 acres. The provincial board has secured a loan of ₱20,000 from the insular government for erecting a central recitation building and two dormitory cottages. During the coming year the high school will be housed in a large rented building provided by the province.

Cebu.—The high school here is temporarily accommodated in a large rented building which barely suffices for the 400 pupils attending. Adjoining the town of Cebu is a broad tract of land which the

provincial board is willing and anxious to purchase as a permanent site as soon as they can secure the necessary funds. The provincial board by resolution requested the sum of ₱100,000 as a loan from the insular government for the purpose of putting up the necessary buildings, but the Commission was obliged to refuse this loan for the present.

Bohol.—The high school is at present located in Tagbilaran in a building which was formerly a municipal school building, with some classes in the provincial government building. A tract of land adjoining Tagbilaran was offered the province as a site for the school, but owing to the rocky nature of the soil at Tagbilaran, which is partly disintegrated coral limestone, it has been judged better to seek another situation in order that instruction in agriculture may be given. The permanent site for the provincial school has, then, not been settled by the provincial board.

Leyte.—The high school is at present located in Palo and is accommodated in three buildings, one of which is used as a recitation hall, one as a dormitory for young women, and the other as a dormitory for young men. A tract of land in the town of Palo was offered by the municipality as a permanent site for the high school, but it seems probable that the provincial board will decide upon Tacloban, the provincial capital, as a more advantageous site. In case the change is made to the town of Tacloban assurance is given that the municipality or private citizens will furnish an adequate tract of land.

Samar.—The high school here was opened last October and has proved a very successful undertaking. The provincial board has given it excellent support, securing the best building obtainable in the town for its accommodation. The board is now seeking to secure a suitable tract of land as a permanent site.

Surigao.—The high school is located at present in a rented building. The province has, however, requested of the insular government a loan of ₱40,000 for the erection of a suitable building, and has procured from the municipality of Surigao a desirable tract of land. The matter of the loan is now pending before the Commission.

Misamis.—A provincial school is about to be opened in Cagayan de Misamis. The teachers are now en route from Manila to their stations and the provincial board has promised full support. The division superintendent of Surigao, who is acting division superintendent of Misamis, has recently investigated conditions and conferred with the provincial officials and advises this office that an excellent tract of land will be donated, and that the provincial board will make all possible provision for building. A rather unique idea was submitted to the Commission by the municipalities of the province of Misamis. It was to contribute a certain amount from the general municipal funds to the support and maintenance of the provincial school. Action upon their request for authorization has not yet been definitely taken.

Paragua.—This province has had no high school up to the present time. Pupils have, however, become sufficiently advanced to be in need of intermediate instruction, and the very small size of the municipalities of the province necessitates centralization of instruction in a few places where the pupils of the different towns of the province can be brought together. It is probable that the province

will make provision for the establishment of a high school at Cuyo and of a school of intermediate grade at Puerta Princesa on the island of Paragua.

Moro Province.—A high school has been established in Zamboanga especially for the training of Moro and pagan teachers for the numerous nonpagan villages of the towns of its jurisdiction. Request has been made on this office for plans for school buildings, and the Moro provincial council is definitely planning for the erection of necessary buildings.

The above summary shows a notable interest on the part of the provincial boards in securing permanent grounds and buildings for the high schools, especially when it is considered that the work so far accomplished in securing permanent sites was, with a single exception, commenced less than a year ago.

Turning next to municipal school buildings, reports have been secured from all but two divisions with nearly complete data. As stated above, the 534 or more buildings left by the Spanish Government have, almost without exception, been put into a fair condition of repair. Roofs which generally were destroyed during the progress of war have been replaced, new floors laid, and in many cases new windows and doors opened, allowing larger admission of light and air.

Under American rule up to December, 1903, there had been constructed 369 new school buildings. The greater part of these were built in the year 1903. These figures do not distinguish between schoolhouses built of stone or hard woods, and of consequent durability, and those built of light materials with grass or nipa thatched roofs; but about 40 are of the former class.

A comparatively large amount of school building has been accomplished within the seven months of the present calendar year. Most of these are barrio schoolhouses, built of hard-wood frames, nipa or grass roofs, bamboo walls, and usually bamboo floors, although in some cases these are of hard wood. Between January and July, 1904, 395 schoolhouses were built or were under construction. A considerable number not included in this figure have been contracted for or are under construction. These buildings give opportunity for the opening of schools in the barrios in line with the policy of the bureau to extend primary instruction. Many of these buildings were put up by means of aid from the insular government under the Congressional relief act through the issue of rice for labor and materials. "Relief rice," for schoolhouse building, was assigned by the civil governor to the following provinces: Capiz, Ilocos Norte, Batangas, Rizal, Laguna, Cebu, and Zambales.

The provinces making the greatest use of this rice were Ilocos Norte, which has built or has under contract for construction 77 barrio schools; Batangas, which by use of "relief rice" and other means has erected 70 barrio schools, and Cebu, where 40 schoolhouses have been built or the contracts made for them. The type of construction of these schools in Cebu is interesting. The walls are of lime plaster laid on bamboo framework.

Summarizing these figures, we have the following total of municipal and barrio school buildings:

Serviceable schoolhouses of Spanish construction.....	534
Built under American rule in the period ending December, 1903.....	369
Already built or under contract for erection in the calendar year 1904.....	600

Total..... 1, 503

Those left from the Spanish period which were of light materials and are no longer truly serviceable are not here included. Of these 395 are practically completed.

This leaves approximately 712 schools for which there are no public schoolhouses. According to reports, 333 of these were housed last year in buildings rented by municipalities. In the number of houses rented the school divisions show great differences. Camarines and Tarlac, both large divisions, rent none. The city of Manila rents 35 buildings, owning only 4, 1 of which is not serviceable, 2 are not of good construction, and only 1 of thoroughly good type. There is no Christian division in the archipelago which is, in fact, so poor in public school buildings as the city of Manila. Bulacan owns 23 school buildings, but rents 65. Cebu owns 108 buildings and rents 36. Ilocos Norte owns 90 buildings, with a considerable additional number under construction, and rents but 1, at a rental of ₱2 per month. Ilocos Sur owns 116 and rents 13. Pangasinan owns 41 and rents 30. Union owns 34 and rents 22. Laguna owns 53 and rents 15. Tarlac, as previously stated, rents none and owns 65.

The order of divisions in point of ownership is Ilocos Sur, 116; Cebu, 108; Ilocos Norte, 90, with 8 more under construction; Batangas, 93; Tarlac, 63; Iloilo, 65; Leyte, 62; Negros Oriental, 58; Laguna, 53; Negros Occidental, 48; Tayabas, 44; Pangasinan, 41; Capiz, 41; Samar, 34; Union, 34; Cavite, 33. The remainder of the divisions have less than 30.

The remaining schools, to the number of 380, are housed in private residences loaned to the municipality without rental; a considerable number in convents or parish houses where these buildings are in the hands of the municipality and have been offered by the municipality for occupancy by school; and a still large number are held in the town halls or presidencias. A few small schools are held in the houses of the teachers.

The above discussion shows to how many sources the bureau has been obliged to turn in order to secure housing for the constantly increasing number of children who are seeking primary instruction. As previously stated, municipal revenue, at present the only source for the construction of new buildings, are adequate for little more than the payment of municipal teachers. It would seem that the cost of permanent improvements such as school buildings, which should be of a better type and more durable construction than those already existing, should not fall upon current school revenues. In the United States provision is usually made for schoolhouse construction by bonds or deferred payments of some character distributed over a term of years. Some provision similar to this is what is greatly needed by municipalities of the islands in order to provide adequate and sanitary accommodations.

There is equally inadequate provision for school furniture. A comparatively large amount of money has been spent in the last year by municipalities in the construction of school benches and desks. The plan now generally adopted is to make a desk with seat attached that will accommodate two pupils, leaving aisles on each side. Such a

will make provision for the establishment of a high school at C and of a school of intermediate grade at Puerta Princesa on island of Paragua.

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adequate provision for school furniture. A considerable amount of money has been spent in the last year by the construction of school benches and desks. The method is to make a desk with seat attached that accommodates two pupils, leaving aisles on each side. Such a

desk, built of native hard wood, costs from 4 to 5 pesos. Twenty thousand individual desks of American make were purchased two and a half years ago by the bureau of education and distributed to the municipalities. These are at present mostly used in the provincial high schools or in the central municipal schools. They accommodate, however, only a small fraction of the children in attendance. The school furniture used under the Spanish Government suffered during the war, being scattered, consumed, and lost in many ways. The limited amount which was saved is heavy and unsuitable. In nearly every case each bench is made to accommodate at least six children, who are compelled to climb over one another in passing to or from class or in and out of the schoolroom, to the detriment of order and discipline.

Outside of Manila the absence of suitable contractors for making school furniture has occasioned considerable embarrassment to division superintendents, even where there were funds in the municipal treasuries that could be devoted to this end. In a good many cases orders have been placed in Manila through this office, the desks being constructed according to plans furnished by this bureau, and shipped out to the provinces "knocked down." In a number of cases, however, the provincial supervisor has assisted by having school furniture made in his shops or by prisoners under his supervision.

THE TECHNICAL SCHOOLS AT MANILA.

Schools maintained by the Philippines for the direct preparation for a profession or trade are three: The Philippine Normal School, established in 1901; the Philippine School of Arts and Trades, established in 1901; and the Philippine Nautical School, established in 1839 by the board of commerce of Manila, and reopened soon after American occupation.

The Philippine Normal School.—During the past year this institution has made gratifying progress. The attendance has increased by one-third, and the requirements for entrance have been raised very materially. A corresponding improvement in the quality of students entering has been noted. The work of the high schools throughout the provinces has shown itself not only in the better preparation of those entering the lower classes, but has also given a considerable number of desirable students for the more advanced classes. All of the fifteen members of last year's graduating class are now teaching in the public schools.

A departure was made this year in the admission of advanced students who do not expect to become teachers. Courses in advance of those offered in the provincial high schools have been announced. These are adapted to prepare students for entering American colleges or the future University of the Philippines.

The school has excellent facilities for work in the sciences, and the students have proved their ability in the close and accurate observation and reasoning required in these courses. The scientific equipment has been greatly increased during the past year.

The course of study has been rearranged to conform to the courses prescribed by the general superintendent, and the relation between the provincial high schools and the normal school is now so close that students may transfer from one to the other without break.

The dormitory for girls has been most satisfactory in its working. More than fifty girls from the provinces are living there. By supplying such a home many representatives of the best families throughout the islands have been secured for training as teachers. These girls manifest a keen interest in American social customs and manner of conducting a home. Many of them have voluntarily restricted themselves to the use of the English language.

More attention is now being paid to the physical development of the students. The boys are being given military drill, while careful gymnastic training is provided for the girls. This feature of their work seems to appeal strongly to the entire body of students. The boys are participating more freely in voluntary athletic sports now than formerly.

The following statistics are taken from the normal school report for the month of July, 1904:

	Boys.	Girls.	Total.
Enrollment.....	560	167	527
Average attendance.....	304	117	451

The Philippine School of Arts and Trades.—In the past year there has been great increase in interest in the work of this school. This is especially gratifying, inasmuch as a year ago there was some difficulty in securing the attendance of desirable students sufficient to fully use the accommodations provided. In the current year it has been necessary to decline fully 75 applicants. The present equipment of the school is adequate for about 150 pupils. By conducting both day classes and night classes 270 pupils in all are now receiving instruction. The following table indicates the increase or decrease in the present year in the day classes:

	September.		Increase or decrease.
	1903.	1904.	
English branches.....	110	150	+ 40
Drawing.....	67	120	+ 53
Metal work.....	11	44	+ 33
Woodwork.....	51	70	+ 19
Telegraphy.....	37	30	- 7

There is no difficulty in keeping the attendance up to the limit of accommodation. It has been found that if a pupil drops out there are now many applicants for his place. Interest is by no means confined to Manila. Of the total enrollment at the close of last school year more than half were from 21 of the outside provinces, Bulacan and Rizal being most largely represented. The class of pupils in attendance is also of better quality than formerly. There is greater willingness on the part of pupils to take up the harder kinds of manual work, a point which is significant of the possibility of development of industrial work in the Philippine Islands.

The following additions to equipment have recently been made: For the iron-working shop: One 16-inch by 6-foot engine lathe, one 12-inch by 6-foot engine lathe, one 10-inch by 4½-foot lathe, one 14-inch shaper, one milling machine, one upright drill, one sensitive

drill, one cutter and reamer grinder, one twist-drill grinder, one wet-tool grinder, and a good assortment of hand tools for those taking the course in mechanics. For the wood-working shops: One surface-planing machine, one circular-sawing machine, one band-sawing machine, one 18-inch pattern-maker's lathe, six 11-inch wood-turning lathes, with the necessary chisels and gouges, etc.; one power grindstone. An assortment of bench tools sufficient for a class of 24, and a similar equipment for wood carving have also been added. Two kerosene engines of 6 and 8 horsepower, respectively, furnish power for the machines.

The city of Manila has recently appropriated ₱50,000 for the erection of buildings which are to be loaned for the use of the school. The site in view comprises a block of land containing 7,787.50 square meters. It is in the Santa Cruz district, near the center of the Filipino population of Manila, and on the line of the new electric railway. This site gives ample room for future development and growth.

The school has furnished 40 telegraph operators to the Philippine constabulary. These young men have done their work satisfactorily and many have been promoted. The drawing department has furnished 6 men for work, 4 being teachers and 2 draftsmen. This department has also assisted the office of the general superintendent by making charts and drawings for bulletins of the bureau and various drawings for school buildings.

In the output of the carpentry and ironworking departments of the school, the following are noted: Drawing and kindergarten tables for the Manila schools, cabinets and typewriter tables for the trade school, drawing boards for the provincial high schools, sketching boards for the normal school, sample desks, etc., besides the laying of pipes and making water connections with the trade school shops, building stands for sinks in shops and blueprinting rooms, repairing faucets and plumbing in the normal school, and making many small tools and models for use in shops and drawing classes.

The Philippine Nautical School, the oldest educational institution in the islands under the supervision of the bureau of education, was established by the board of commerce of Manila in the year 1839. The school was begun in a building on Calle Cabildo, Intramuros, the exact location of which is not certainly known, and was conducted in this place until the year 1863, when the building was totally destroyed by an earthquake. The friends of the institution, unwilling that it should cease to exist, secured a site on Calle San Juan de Letran. About 1884 the school was removed to Calle Palacio and in 1898 to its present site on Calle Santa Elena, in the district of Binondo.

The study of mathematics has always been made the strongest feature of the course, and from time to time a considerable sum of money, amounting in all to something over \$10,000, was provided by the board of commerce and expended for equipment by the educational officials of the Spanish Government, some of the apparatus being yet in the possession of the school and in use in its work.

Several additions to the school equipment have recently been made, including a valuable chronometer and four 10-oar 28-foot boats.

Before the end of the Spanish rule the school had been placed under the direction of the civil government of the islands, and at the time of the American occupation of Manila it was under the superintendence of Senor José Gamero.

Political changes have not affected the workings of the school except to introduce English text-books and American methods of instruction. The American authorities, recognizing the value and merit of the institution, made immediate provision for its continuance; and, under a new and vigorous administration by American directors, the scope of its work has been widened, the attendance increased, and the standard of work raised.

The present school building accommodates 150 students. It is proposed to obtain a better building, or to transfer the entire student body to a large vessel. In the latter case there would be no need for a school on land.

All necessary nautical instruments are provided for the department of navigation, and equally adequate equipment made for the department of seamanship.

Next year a small gymnasium will be fitted up. At the present time, with the exception of work in small boats and on large vessels during the vacation, the physical exercises are confined to setting-up drills, infantry drill, seamanship drill, boxing, fencing, singlesticks, baseball, and football.

The physics laboratory is located on the first floor and has been newly equipped with up-to-date apparatus and supplies, the demonstration outfit being somewhat better than the average high school or normal school equipment in the United States.

The departments of geography and astronomy are provided with a good telescope, tellurians, celestial, and terrestrial globes, maps, and various other supplies.

Enrollment, September 1, 1904, 121; average attendance, 115.

MUSIC, DRAWING, AND KINDERGARTEN.

Work in these lines has been conducted in the city schools of Manila during the past year. Owing to the necessity for special teachers for these lines of work this instruction while in the experimental stage has been limited with a few exceptions to the city of Manila. The effort has been to discover what class of instruction and what rate of progress would be made by the pupils in these special branches before organizing systematic work for the entire archipelago, and the city of Manila naturally furnishes the field for these experimental undertakings.

These branches appear from the experience of the past year to be abundantly justified. The effort is now being made to organize systematic instruction in music in all provincial high schools and from these to extend it to the municipal schools. Similarly the teaching of drawing in Manila affords encouragement for making this study a prescribed part of both the primary and intermediate work. These three branches, no less than any others, demand the training of a sufficient number of Filipino men and women in order to extend instruction throughout the islands. The work so far conducted has had as one of its largest aims the shaping of a course of training for teachers of these branches. A more specific account of the work of the past year follows.

Music.—The study of music was introduced in the city schools of Manila in September, 1903, under the direction of a supervising expert. Model lessons were given for the benefit of the teachers and

general directions issued to each school as a basis for daily musical instruction. Subsequently, normal classes for the training of Filipino teachers were successfully organized.

The Filipinos are naturally a musical people, and the children hail with delight the music lesson. It has been found difficult to subdue the voices and improve the quality, but much has been accomplished by means of voice exercises and individual instruction, and it has been found that the development of a soft, mellow quality in the singing voice has beneficial effects on the speaking voice. Sight reading has been made an important feature, but without overlooking the fact that song singing and sight reading devoid of a musical voice quality is very injurious to young voices. The subjects of time and accent have received careful attention and emphasis. The improvement in tone perception has been very gratifying. In many instances the classes have shown ability to hear quickly and correctly, to grasp, retain, and reproduce groups of three, four, and five tones sung consecutively. The musical interest is also strong in the provinces, and a course in music was arranged in February, 1904, and a copy of the same placed in the hands of every teacher throughout the islands.

In June, 1904, the general superintendent called together from several provinces representative teachers qualified to direct the music in the divisions, and these teachers met in a conservatory of music at Manila June 13, 1904, for instruction by the supervisor of music. Each branch of the subject was discussed, and practical instruction given in tune, time, reading, voice, quality, and range. The convention lasted one week. A new course of study is now in preparation which will aid greatly in systematic carrying on of music work in these schools.

Drawing.—This subject was introduced into the Manila schools upon a systematic basis in January, 1903. Enough has been done to demonstrate that the Filipino pupil is exceedingly interested in the work and has unusual ability in this direction. He has shown much talent in original conception and artistic execution. The work is carried on by a staff of nine Filipino drawing teachers, one American teacher for the secondary and American schools, and a supervisor. These teachers are brought together each week for instruction in the work to be done during the succeeding week. During the past year a pamphlet has been prepared by the supervisor and has been sent to all teachers of drawing with a view to unifying the work throughout the archipelago.

A course of study is being prepared in the form of books for the pupils and a manual of instructions for the teachers. For the future work in the provinces it is proposed to establish in Manila a small training school for Filipino drawing teachers. Under competent instruction the Filipino drawing teacher becomes thoroughly qualified to do this work. He is not so transient as the American teacher and is equally competent in this subject.

Kindergarten.—This work has been rapidly developed in the past year. Seven kindergartens are maintained, one being for English-speaking children. Seven American teachers are engaged in this work in Manila under the direction of a highly qualified supervisor. There are 12 Filipino assistants. The attendance has been good and the interest excellent. In many cases there have been applications for membership far exceeding the capacity of the schools. Mothers'

meetings have been held with exhibits of the work of the children, and these seem to have been enthusiastically received, the attendance often running as high as 50.

As stated above, the work has as one of its objects the training of young women to give kindergarten instruction in the provinces. The desire is to have a successful kindergarten established in each provincial capital, not only for value to the children attending, but also as an exhibit to the public of correct teaching principles, and as a feature of the training of the primary teacher.

SCHOOLS FOR PAGAN TRIBES.

In the preceding portion of the report figures relating to population, taxation, school attendance, etc., have embraced only the Christian population of the islands. Very little teaching has yet been done among the pagan tribes. These peoples are found in considerable numbers, yet it will be some time before anything more than tentative experiments for their education can be undertaken. There are a few wild inhabitants in Panay and Negros (the Bukitnon), and a similar but more numerous element in Misamis and Surigao. Eventually, of course, these people should have instruction at public expense and be assisted toward civilization. No schools have been started for the Mangyan, of Mindoro, but even the Christian towns of this island have received so little in the way of public instruction in the past that the work of the bureau in this province will probably be entirely devoted to them for some time to come. On the islands of Busuanga and Paragua there is a small, scattered pagan element, and in the south of Paragua a Mohammedan-Malay element. No schools have as yet been established for these people. The only practical plan in view is to secure a few bright representatives of each settlement or band and educate them at some provincial school to become instructors and leaders of their own people. In the province of Zambales one school has been established in the barrio of Botolan for Negrito children, the only effort being made at present to educate these little blacks. The experiment has not yet proceeded far enough to indicate anything. In northern Luzon, however, in the Cordillera Central, the pagan element is numerous and relatively very important. Here is the great stock of primitive Malayan tribes known as the Igorot. These people number something over 200,000, being most numerous in the old Spanish politico-comandancias of Bontoc, Quiangan, Lepanto, and Benguet, and in the province of Abra. Schools were established among the Igorot of Benguet three years ago, but there have been few results proportionate to the effort made. It is desirable, however, that a few young men in each of the strong and powerful towns which cover the steep mountain sides of the cordillera should receive the rudiments of an English education, and thereby be able to serve as interpreters and local officials among their own people. The Spanish system was to place an *Ilocano* with the title of "directorcillo" in each of these towns as soon as they were conquered or subdued. These officers, as representing Spanish authority, practically governed the towns. Their presence was and is distasteful to the Igorot, who are beginning to appreciate the advantages that would accrue to them through having members of their own tribe competent to represent the government. With this

object in view, training schools have been established for Igorot boys at Baguio, Benguet, Cervantes, Lepanto-Bontoc in Quiangan, at the site of the old Spanish cuartel and mission station, and at Alilem, Amburayan. These schools have not yet progressed very far. The one at Baguio is the oldest and most fully organized. Appropriation was made by the insular government for school buildings, and a central recitation building, with several other buildings for the accommodation of the boys, have been built. These buildings are, however, of poor type. Something over 100 boys were in attendance at this school last year. At Bontoc a school building has been erected and is now complete, costing ₱560.39 to the government. Some 60 boys have received profitable instruction at this school in the past year. At Cervantes a site has been chosen and a preliminary appropriation of ₱4,000 made by the government. At Quiangan, which is the very heart of the head-hunting region, occupied by a fierce but industrious people numbering altogether about 40,000, very interesting work has been begun under a teacher of large experience in Indian schools in the United States. School gardening and elementary tool work have been started here. An appropriation is needed for the construction of buildings.

A provisional course of study covering about four years has been outlined for these Igorot schools. It provides for instruction in the English language to a point where a child can speak, read, and write it readily, for elementary arithmetic; for enough geography to give the child an idea of the world existing outside of his own wild mountains, and some study of the plant and animal life of his own mountain region. Industrial work is planned to cover agriculture, elementary carpentry work, and elementary iron work. In a few Igorot towns skillful iron work is done by the people. This industry being altogether localized, the hammers and anvils are of stone and the bellows are of the rude cylindrical style common throughout Malaysia. Yet with these tools the Igorot produces very carefully made bolos, axes, and spears. He is naturally interested in improving his iron work and the tools with which he conducts it, and there promises to be no difficulty in securing a large attendance of boys for this kind of instruction. In iron work, as well as in carpentry, the instruction will be simple in character and limited to teaching dexterity in the use of a few useful American tools. On the other hand, the teaching of agriculture must be advanced and scientific in character. The Igorot is already the best and practically the only scientific agriculturist in the Philippines. At enormous labor, extending over many generations, these mountain people have built up astounding terraces covering the mountains mile after mile. These terraces are usually under irrigation. They are carefully fertilized and tended. The crops are camotes, rice, tobacco, taro, several vegetables, and cotton. His agriculture can, however, be benefited by the introduction of improved seeds, by the destruction of noxious insects, and by making more general the cultivation of certain products which are now localized.

For the girls, industrial work will center around the teaching of spinning and weaving. As stated above, cotton is raised, but only in a few localities. Most of the cloths which circulate among these wild people are obtained from the Ilocano population of the valleys. They bring very high prices. In some localities the Igorot do beautiful spin-

ning and weaving, but on a very limited scale. The plan is to introduce the large family loom of the Ilocano, thereby affording an industry for the women that will relieve them from agricultural toil and be of benefit to the people. An appropriation of ₱3,000 was made by the Commission for the establishment of a school for girls at Bua, Benguet, where, in addition to English and housekeeping, this improved way of spinning and weaving cotton will be taught.

SCHOOLS IN THE MORO PROVINCE.

Since the organization of the Moro Province under special form of government in September, 1903, the schools of southern Mindanao and the Sulu Archipelago have been administered separately from this bureau. The school superintendent for this region is one of the five members of the provincial council.

The school problem presented here is an exceedingly difficult one. The population is of three kinds: A small Christian population which followed the Spanish soldiers and missionaries into southern Mindanao and formed settlements in the vicinity of the Spanish forts; the Mohammedan population, which comprises the large majority of the inhabitants, and the pagan tribes living in the hilly interior of the mainland of Mindanao. By none of these three classes are public schools thoroughly welcomed. The Christian population is devotedly attached to their own parochial schools, which are supervised by Jesuit missionaries who have returned to their parishes. The Moros retain all the conservatism of the Mohammedan devotee everywhere, and have been unable to decide whether the American is to be accepted or resisted. The pagan tribes are in a state of barbarism in which it is impossible for them to understand the reason or advantages of schools.

In spite of these difficulties, public education, especially in the last year, has made encouraging progress in this part of the archipelago. The organization of the government of the Moro Province led to a marked change in the management of the public schools. Their administration was centralized and sufficient funds secured for their support. By Act No. 1, of the Moro legislative council, all schools of the Moro region were made provincial institutions. During the past year 52 such schools were in operation, 10 of which had been newly established. The majority of these are among the Christian tribes and attended for the most part only by Christians, but there are 7 which are attended by Moros and 2 by pagan Bagobos in the gulf of Davao. There are on duty in this province 15 American teachers and 54 native teachers, 9 of whom are Mohammedans. These are all paid from provincial funds. The total enrollment of these 52 schools was 2,114, of whom the boys numbered 1,289 and the girls 825. About 240 of these pupils were Moros, 110 Bagobos, and the balance of Christian parantage.

A four years' course of primary instruction has been put into effect by the school superintendent of the province. It covers much the same ground as the primary course prescribed by this office for the archipelago. The study of English has had foremost attention, but the Moro Province, unlike other parts of the archipelago, requires some attention paid to the native languages. The Christian population of southern Mindanao, and especially that of Zamboanga, speak

a corrupt Spanish, the native dialects having disappeared. The Moros speak a number of different dialects, nearly all of which have been reduced to writing by means of Arabic characters. The number of Moros who can read and write in the native character is estimated by the superintendent of schools as 8 per cent, 4 per cent among the Sulus, less than 2 per cent among the Samals.

A very successful vacation institute was held in Zamboanga for four weeks during the month of April. The total attendance was 88. A secondary school at Zamboanga has also been established within the last few months. Its aim is to train young men and women for the government service, and especially for the vocation of teaching. Special efforts are being made to secure the attendance at this school of young Mohammedan Malays.

The Moro Province appropriated ₱85,230.85 for educational purposes for the nine months ending July, 1904, and the expenditures were ₱46,898.17, leaving an unexpended balance of ₱38,341.68. As the Moro and pagan districts become organized and conditions become thoroughly peaceful there promises to be a greater demand for schools. At least ten new schools, it is expected, will be established in the near future.

THE WORK OF THE OFFICE OF THE GENERAL SUPERINTENDENT.

The office of the general superintendent is at present organized in the following divisions:

The assistant to the general superintendent, with 2 stenographers.

The division of records, with 1 record clerk and 6 clerks.

The division of statistics, with 1 head, 1 stenographer, and 1 clerk.

The disbursing division, with disbursing officer, and 4 clerks.

The property division, with the property clerk, 1 stenographer, and 4 clerks.

In addition there is a special-order clerk, with one assistant, an architectural draftsman, with 1 assistant, and the stenographer to the general superintendent, who report directly to the general superintendent. This makes a total force of 29, 21 of whom are Americans and 8 Filipinos.

The work of this force during the past year has been exceedingly heavy. The closer organization effected between the general office and the offices of the division superintendents; the very large amount of correspondence carried on with teachers; the heavy correspondence incident to the passing of the teaching force under the civil-service regulations; the radical changes which have been made in the character of the teachers' work, in the courses of instruction, in plans for school buildings, etc., have increased the amount of correspondence 520 per cent over the previous fiscal year. This fact may be evidenced in another way by stating that the files in the record division from the organization of the bureau to July, 1903, fill 37 cases, while for the year July 1, 1903, to July 1, 1904, they fill 90 cases. The number of original communications in the office has averaged, since the 1st of July of the present year, 105 per day, besides an average of 20 indorsements and 15 telegrams. In addition to this, the record system has been entirely changed to correspond with that used by the office of the executive secretary for the Philippine Archipelago. Every communication is now cross-referenced with an average of four index cards.

This increase in the office work has been accomplished, although with great difficulty, with the addition, previous to July 1, of only one

American clerk. In the appropriation bill for the current year two American clerks were dispensed with and six additional Filipino clerks provided for, with the slight reduction of the total amount appropriated for the general superintendent's office over the appropriation of last year. The work continues to be, however, too heavy. Every employee in the office each month reports an overtime service, which in several cases has exceeded sixty hours in a single month.

Moreover the necessary absence of the general superintendent in the field a considerable proportion of the time urgently demands the appointment of a deputy general superintendent. The position of assistant to the general superintendent, most excellently filled though this position has been during the past year, comprises also that of a chief clerk, with general charge of the office. What is needed is the creation of the position of a deputy general superintendent, who can, in a large degree, share with the general superintendent the very important work of school inspection in the provinces, and who, by reason of qualifications and emolument, will command the respect and consideration of the very able force of division superintendents.

The routine work, despite the repeated efforts that have been made to effect a change, continues to fall far too heavily upon the general superintendent. The school conditions throughout the islands demand constant and careful personal attention, which the general superintendent is, to a large extent, unable to give under the present organization of work. The matter of visits by the general superintendent or a representative is of extreme importance. Since September, 1903, the general superintendent has visited the schools in 26 provinces, but there still remain in the archipelago 8 provinces which have never received a visit from a general superintendent. It has been impossible to visit them the past year. As a result, this office finds itself imperfectly informed and somewhat out of touch with the school work in these divisions, and unable to assist as intelligently and wisely as is to be desired. There are 40 provinces in the archipelago. Each of these should receive at least one annual visit by a general superintendent or his representative. Considering the traveling conditions, a week to a province is not too much to allow, and even this permits the visiting of only a limited number of towns. Forty weeks is, however, the entire school year. It is manifest that, if the general superintendent is to visit each province each year, there is no time left him for the conduct of other business.

THE DIVISION SUPERINTENDENTS.

The division superintendent holds the pivotal position in the bureau of education. He is the immediate head of all school work conducted in his province or division. All teachers and principals report to him and are immediately subject to his direction. He appoints all municipal teachers. His recommendations are very largely considered in the promotion of American teachers and insular native teachers. He has under his immediate direction in some instances as many as 50 American teachers and 200 Filipinos. He is the representative of the school work before the provincial board, and in eleven cases is a member of the provincial board, the governing body of the province. All correspondence from or to teachers passes through his office. He distributes school supplies, and is accountable for the

school property of the division to the auditor of the archipelago. He has daily business relations with the provincial board, the presidentes, and other municipal officers of every town, with the American teachers, the Filipino teachers, and close personal relations with the entire Filipino population of his province. With him rests to a very large extent the good discipline of the force, the attitude of the teachers toward their duties, and the general efficiency and success of the school work. A large part of his time is spent in travel from town to town, a work not only onerous, but frequently accompanied by danger from storms, high water, dangerous seas, ladrones, and epidemic disease. The work makes demands upon every high quality a man may possess. It calls for courage, judgment, tact, and sympathy. It is the opinion of the general superintendent that this body of men is to-day one of the most respected and influential forces in the archipelago. Their qualities, physical, mental, and moral, are exceptionally high.

It is with extreme pleasure that the general superintendent is able to report that the Commission in its last appropriation bill provided for an increase in the salaries of division superintendents. This is as follows, the increases being confined to the lower ranks of salary: One division superintendent, at \$3,000 per annum; 3 division superintendents, at \$2,500 per annum each; 6 division superintendents, at \$2,250 per annum each; 5 division superintendents, at \$2,000 per annum each; 8 division superintendents, at \$1,800 per annum each; 8 division superintendents, at \$1,600 per annum each.

Another change effected by this bill (Act 1225) was the separation of division superintendents from any specific division, making it possible to assign a school superintendent to duty in any part of the islands without reference to the salary he is receiving, and with sole consideration of the work for which he is most needed. By decision of the honorable the secretary of public instruction, the division superintendents are now, in the matters of vacation leave and accrued leave, upon the same footing and subject to the same conditions as govern other employees in supervisory capacities. Attention is invited to Appendix F for the enumeration of the men who have filled these positions in the last year.

RECOMMENDATIONS FOR THE ESTABLISHMENT OF A UNIVERSITY.

It is recommended that action be taken at an early date looking toward the establishment of a university of the Philippines. Such action need not call for immediate appropriation. The present would not justify the organization of this university on an expensive scale, but it is believed that the time has now arrived when definite steps should be taken looking to the opening of courses for professional training commencing in June, 1905, and for the opening of undergraduate courses in June, 1906.

It is not anticipated that there will be more than a very few pupils prepared by the public schools for admission to an undergraduate course leading to a bachelor's degree before June of 1906. Those who will present themselves a year earlier have been trained either in Spanish institutions of Manila or in high schools of the United States. It is believed, however, that there is a very considerable number of young men, graduates of Spanish colleges in the Philippines, and, in

some cases, of professional schools, who are desirous of taking up professional studies in medicine, law, engineering, or applied sciences. Almost every province in the islands has a few of these young men who are not sufficiently trained to undertake regular professional work and who are largely unoccupied and without occupations because of the lack of schools for such instruction. It is believed that if lectures and seminars in the above professional subjects were organized to commence June, 1905, a very respectable attendance of young men from all parts of the islands could be secured and that the establishment of such work would encourage and inspire the Filipino people in a very considerable degree. It would, moreover, provide for the continuance of the system of public instruction beyond the primary and intermediate grades and the high schools to undergraduate and professional courses.

It has been already recommended by the general superintendent to the Commission that provision be made by law for the immediate appointment of a board of trustees, to whom should be intrusted the conduct of the university, and for the appointment of a chancellor, to serve for the present without compensation. An examiner and registrar of the university would be the only salaried employee immediately necessary for the preliminary work of organization and the opening of professional courses. The lectures, seminars, and personal direction of the students could be accomplished through the utilization of the very large number of trained specialists who are already serving the Philippine government in various capacities.

Very respectfully submitted.

DAVID P. BARROWS,
General Superintendent of Education.

THE SECRETARY OF PUBLIC INSTRUCTION,
Manila.

APPENDIX A.

Table showing, by provinces, the municipal appropriations for school purposes per capita of their Christian population.

Province.	Municipal appropriations for school purposes.	Appropriation per capita of Christian population.	Province.	Municipal appropriations for school purposes.	Appropriation per capita of Christian population.
Abra.....	(a)	.....	Masbate.....	3,122.00	P.O.
Albay.....	(a)	.....	Mindoro.....	(a)	.....
Ambos Camarines.....	P33,334.00	0.14	Negros Occidental.....	26,215.93	.08
Antique.....	8,033.57	.06	Negros Oriental.....	17,267.92	.08
Bataan.....	5,171.14	.11	Nueva Ecija.....	17,267.99	.12
Batangas.....	24,346.21	.09	Nueva Vizcaya.....	(a)	.....
Bohol.....	(a)	.....	Pampanga.....	21,615.50	.06
Bulacan.....	64,897.85	.29	Pangasinan.....	78,572.53	.19
Cagayan.....	66,892.00	.46	Paragua.....	(a)	.....
Capiz.....	7,099.24	.03	Rizal.....	39,109.27	.26
Cavite.....	16,981.79	.12	Romblon.....	7,513.33	.14
Cebu.....	62,367.57	.09	Samar.....	(a)	.....
Ilocos Norte.....	31,892.35	.18	Sorsogon.....	38,566.42	.2
Ilocos Sur.....	(a)	.....	Surigao.....	3,250.38	.06
Iloilo.....	39,576.94	.09	Tarlac.....	30,922.78	.23
Isabela.....	13,305.00	.10	Tayabas.....	22,912.25	.11
Laguna.....	45,421.10	.30	Union.....	15,519.69	.12
Leyte.....	30,115.73	.08	Zambales.....	6,671.21	.06
Manila.....	337,116.03	1.53			

a Data not obtainable.

APPENDIX B.

Night-school statistics for August, 1904.

Division.	Allowed.			Used.	Difference.	Enrollment.	Attendance.	Number of nights.	Per cent of attendance.
	Of 15.	Of 25.	Total.						
Manila Trade School.....	5	.....	5	5	.....	100	90	67	90
Albay and Sorsogon.....	6	3	9	9	.....	713	465	107	85
Camarines.....	6	2	8	7	-1	331	248	84	75
Batangas.....	8	2	10	12	+2	564	292	146	53
Bohol.....	5	2	7	7	.....	404	231	83	57
Bulacan.....	11	2	13	15	+2	663	475	184	72
Cagayan and Isabela.....	6	1	7	3	-4	240	155	26	65
Capiz.....	5	2	7	5	-2	200	152	61	76
Cavite.....	10	2	12	11	-1	716	513	147	76
Cebu.....	11	4	15	14	-1	779	583	182	75
Ilocos Norte.....	8	2	10	10	.....	640	390	124	61
Ilocos Sur and Abra.....	10	5	15	14	-1	605	416	166	69
Iloilo.....	13	5	18	14	-4	633	465	128	73
Laguna.....	14	2	16	10	-6	358	280	128	44
La Union.....	5	2	7	4	-3	175	100	52	29
Leyte.....	6	2	8	8	.....	278	230	77	82
Masbate.....	4	.....	4	5	+1	147	116	60	78
Samar.....	6	2	8	3	-5	81	65	37	77
Misamis.....	2	.....	2	2	.....	47	40	24	85
Nueva Ecija.....	8	2	10	10	.....	427	244	100	92
Nueva Vizcaya.....	3	.....	3	3	.....	96	56	38	58
Negros Occidental.....	11	2	13	13	.....	582	426	159	72
Negros Oriental.....	8	1	9	7	-2	243	188	87	71
Pampanga and Bataan.....	12	2	14	14	.....	577	389	178	79
Pangasinan.....	13	2	15	14	-1	692	491	179	71
Rizal.....	8	3	11	11	.....	671	489	140	73
Romblon.....	5	1	6	4	-2	149	113	50	72
Surigao.....	4	1	5	3	-2	121	93	23	72
Tarlac.....	7	2	9	8	-1	364	268	90	74
Tayabas.....	6	2	8	6	-2	358	215	75	68
Zambales.....	6	1	7	4	-3	208	132	51	63
Mindoro.....	4	.....	4	1	-3	65	43	13	66
Lepanto-Bontoc.....	1	.....	1	1	-2	35	23	10	65
Paragua.....	2	.....	2	.....	.....	.....	.....	.....	.....
Total.....	239	59	298	257	41	13,115	8,586	3,079	65
Manila city.....	.....	.....	263	.....	.....	5,858	4,914	4,669	86
Grand total.....	239	59	501	257	41	18,973	13,500	7,748	71

APPENDIX C.

Table showing, by provinces, the proportion of children at present reached by school work to the total population of children of school age.

Province.	Population.	School population, ages 6 to 16, inclusive.	Number of children who should be in school. ^a	Enrollment Aug. 1.	Attendance Aug. 1.	Number of children for whom primary instruction must yet be organized.	Percentage of children in school.	Percentage of children to be yet reached.
1	2	3	4	5	6	7	8	9
Abra.....	51,680	10,336	3,445	3,200	2,200	245	31	2
Albay.....	240,326	48,065	16,021	4,667	2,100	11,354	10	23
Ambos Camarines.....	239,405	47,881	15,960	6,680	5,450	9,280	14	19
Antique.....	134,166	26,833	8,944	4,522	3,033	4,422	17	16
Bataan.....	46,789	9,357	3,199	1,699	1,234	1,420	18	15
Batangas.....	257,715	51,543	17,181	6,543	5,470	10,638	13	20
Bohol.....	269,223	53,844	17,938	23,000	13,000	.....	41	.....
Bulacan.....	223,742	44,748	13,916	11,657	8,262	2,259	26	7
Cagayan.....	156,239	31,247	10,415	3,086	2,303	7,329	10	23
Capiz.....	230,721	46,144	15,381	8,167	5,974	7,214	19	14
Cavite.....	131,779	26,955	8,985	7,578	5,429	1,380	28	5
Cebu.....	653,727	130,745	43,581	16,272	9,330	27,309	12	21
Ilocos Norte.....	178,995	35,799	11,933	12,108	10,215	.....	34	.....
Ilocos Sur.....	187,411	37,482	12,391	12,800	8,800	.....	35	.....
Iloilo.....	410,315	82,063	27,354	13,568	9,109	13,786	17	16
Isabela.....	76,431	15,286	5,095	1,543	1,152	3,552	10	23
Laguna.....	118,606	29,721	9,907	11,874	8,742	.....	40	.....
Leyte.....	388,922	77,784	19,194	9,600	7,692	9,594	12	21
Manila.....	219,928	43,985	14,661	6,773	5,672	7,888	15	18
Masbate.....	43,675	8,725	2,908	2,200	1,800	708	25	8
Mindoro.....	39,582	7,916	2,638	2,114	2,200	524	26	7
Misamis.....	138,329	27,666	9,222	611	427	8,611	2	31
Moro.....	41,149	8,229	2,743	2,114	1,582	629	24	9
Negros Occidental.....	308,272	61,654	20,551	12,009	8,243	6,542	19	14
Negros Oriental.....	201,491	40,298	13,432	9,283	8,131	4,149	25	8
Nueva Ecija.....	134,147	26,829	8,943	4,317	3,093	4,626	16	17
Nueva Vizcaya.....	62,541	12,508	4,169	2,279	1,956	1,890	19	14
Pampanga.....	223,751	41,750	14,916	8,498	6,166	6,418	19	14
Pangasinan.....	397,902	75,580	25,293	12,197	9,100	13,096	16	17
Paragua.....	35,696	7,139	2,379	857	446	1,322	12	21
Rizal.....	150,923	30,181	10,061	7,591	5,631	2,467	25	8
Romblon.....	52,848	10,569	3,523	2,800	2,500	723	27	6
Samar.....	266,257	53,247	17,749	21,169	3,261	.....	38	.....
Sorsogon.....	120,495	24,099	8,033	2,333	4,200	5,700	9	24
Surigao.....	115,112	23,022	7,671	2,431	1,756	5,243	10	23
Tarlac.....	135,107	27,021	9,007	3,600	3,300	5,407	13	20
Tayabas.....	201,739	40,917	13,649	10,000	8,500	3,649	25	8
Union.....	137,839	27,567	9,189	5,911	4,433	3,278	21	12
Zambales.....	104,549	20,923	6,984	2,760	2,259	4,221	13	20
Total.....	7,163,499	1,432,701	477,567	263,538	183,146	200,076	19	14

^a The basis of this estimate, as indicated in the body of the report, is one-third of the total number of children between the ages of 6 and 14.

It will be seen from column 5 that in several of the provinces primary school facilities have already been provided for more than one-third of the school population.

The wide difference between enrollment and attendance in some divisions is indicated by comparing columns 5 and 6.

APPENDIX E.

TEXT-BOOKS AND SUPPLIES.

Experience has shown from the first the great desirability of elementary schoolbooks specially prepared for the Philippines. American publishers have eagerly entered this field with the result that there now exists an excellent series of primary books prepared from Philippine material and thoroughly well adapted to their purpose. The great bulk of the books purchased by the bureau are of primary grade and this will continue to be the case for years to come. Books, as well as all supplies, are provided for the pupils free of charge.

In the intermediate course there is not such great need for special texts, aside from the science studies, and it is expected that the work of the secondary courses will be conducted with slight use, for some years at least, of special Philippine texts.

Text-books either written or especially adapted for use in the Philippines.

- The Arnold Primer: Stepping Stones to Literature Series. Written by Sarah Louise Arnold. Published by Silver, Burdett & Co. Ordered in 1903.
- A First Reader: Stepping Stones to Literature Series. Written by Sarah Louise Arnold and Charles W. Gilbert. Published by Silver, Burdett & Co. Ordered in 1903.
- The Story of the Philippines. Written by Adeline Knapp. Published by Silver, Burdett & Co. Ordered in 1903.
- Civil Government in the Philippines. Written by Dudley O. McGovney. Published by Scott, Foresman & Co. Ordered in 1903.
- A Natural Number Primer. Written by David Gibbs. Published by American Book Company. Ordered in 1904.
- The Concrete Arithmetic. Written by Guy Clinton and John T. Miller. Published by Van Buskirk, Crook & Co. Ordered in 1904.
- Philippine Geography. Written by Alexis Everett Frye. Published by Ginn & Co. Ordered in 1904.
- Philippine School Geography. Written by Roddy and revised by David Gibbs. Published by American Book Company. Ordered in 1904.
- Philippine Geographical Reader. Written by Samuel MacClintock. Published by American Book Company. Ordered in 1904.
- Philippine Folk Lore. Written by John Maurice Miller. Published by Ginn & Co. Ordered in 1904.
- Suggestions for Drawing. Written by W. H. Hilts. Published by Ginn & Co. Ordered in 1904.
- A Nature Study Reader. Written by John G. Coulter, Ph. D. Published by D. Appleton & Co. Ordered in 1904.
- Short History of the Philippines. Written by Prescott F. Jernegan. Published by D. Appleton & Co. Ordered in 1904.

Text-books adapted for use in the Philippines but whose material is not exclusively for use here.

- Elements of Arithmetic. Written by William H. Milne. Published by American Book Company. Ordered in 1903.
- Elementary Hygiene for the Tropics. Written by Azel Ames, M. D. Published by D. C. Heath & Co. Ordered in 1903.

Of school supplies other than books the demand is for exactly the same equipment as that provided for American schools. Paper, pencils, slates, blackboard material, material for "busy work," etc., are carried in stock in large quantities. There is great need for a good school map of the Philippines, and an effort is being made to secure data for this purpose from the supervising teachers, as well as from other bureaus of the government.

APPENDIX F.

Superintending and supervising force, bureau of education, for the year ending September 15, 1904.

DAVID P. BARROWS, *General Superintendent.*

FRANK R. WHITE, *Assistant to General Superintendent.*

(Mr. G. N. Brink has been acting as assistant to general superintendent since July 1, 1904, the date Mr. White went on leave of absence.)

Division.	Superintendent.	Headquarters.
Manila.....	G. A. O'Reilly.....	Manila.
Camarines.....	W. B. Freer.....	Nueva Caceres.
Albay and Sorsogon...	E. E. Fisher.....	Albay, Albay.
Batangas.....	H. H. Buck.....	Batangas.
	(Mr. M. A. Colton was superintendent for this division to date of resignation, Nov. 28, 1903, when he was relieved by Mr. H. H. Buck.)	
Bohol.....	L. T. Gibbens.....	Tagbilaran.
	(Mr. Gibbens has been on leave in the United States since July 1, 1904 and Mr. H. L. Noble was appointed as acting division superintendent for this province July 20, 1904, and is at present serving in this capacity.)	
Cagayan and Isabela...	H. E. Bard.....	Tuguegarao, Cagayan.

APPENDIX F.—*Superintending and supervising force, bureau of education, for the year ending September 15, 1904—Continued.*

Division.	Superintendent.	Headquarters.
Bulacan.....	H. A. Bordner..... (Mr. E. G. Turner was the superintendent of this division to and including Feb. 29, 1904, and on Mar. 1, 1904, was transferred to the division of Pangasinan. Mr. Opha C. Lewis was acting superintendent for this division from Mar. 1, 1904, to July 1, 1904, when he was relieved from this duty by the appointment of Mr. H. A. Bordner.)	Baliuag.
Capiz.....	E. A. Coddington.....	Capiz.
Cebu.....	Samuel MacIntock.....	Cebu.
Cavite.....	S. A. Campbell..... (Mr. H. H. Buck was superintendent of this division to and including Nov. 28, 1903, and was transferred to the division of Batangas on Nov. 29, 1903. Mr. Campbell has been superintendent of Cavite from and including Jan. 5, 1904.)	Cavite.
Ilocos Norte.....	Guy Van Schaick..... Mr. J. M. Kniseley was superintendent of this division to and including Mar. 31, 1901, and from Apr. 1 to Aug. 23, 1904, was supervising the construction of school buildings, said construction being paid from the Congressional relief fund, and from and including Aug. 24, 1904, he has been on special duty in the office of the general superintendent of education. Mr. Van Schaick was acting superintendent for this division from Apr. 1 to Aug. 31, 1904, and was appointed division superintendent on Sept. 1, 1904.	Laoag.
Ilocos Sur and Abra.....	W. W. Rodwell..... Mr. Rodwell has been on leave in the United States since May 15, 1904. Mr. P. S. O'Reilly was appointed acting superintendent for this division on May 20, 1904, and is at present serving in that capacity.	Vigan.
Iloilo and Antique.....	G. N. Brink..... Mr. Brink has been on special duty as acting assistant to the general superintendent of education since July 1, 1904, and Mr. J. A. Gammill is acting as superintendent of this division, and has been serving in such capacity since Mr. Brink left Iloilo. Mr. Charles R. Cameron served as head teacher for Antique to July 8, 1904. Mr. J. D. De Huff has served as head teacher for Antique since Aug. 1, 1904.	Iloilo.
Laguna.....	W. E. Lutz.....	Pagsanjan.
Union.....	C. H. Magee.....	San Fernando.
Leyte.....	Vacant..... Mr. B. B. Sherman was the superintendent of this division to and including Mar. 31, 1904, and then resigned, effective as of June 7, 1904, the end of the accrued leave due him for service rendered, on account of ill health. Mr. Sherman died shortly after his arrival in the United States. Mr. J. L. Fiske is acting superintendent for this division, and has served in such capacity since Feb. 1, 1904.	Tacloban.
Masbate.....	H. G. Lamson..... Mr. Lamson has been on leave in the United States since Mar. 4, 1904, and Mr. C. H. Hanlin was appointed as acting superintendent for this division on May 14, 1904, and is at present serving in that capacity.	Masbate.
Samar.....	H. S. Townsend.....	Catbalogan.
Misamis.....	Vacant..... Mr. Guy Van Schaick was the superintendent of this division until Dec., 1903, when the teachers were withdrawn on account of the lack of support from the province. From Dec., 1903, to Mar. 31, 1904, Mr. Van Schaick was on special duty in the office of the general superintendent of education, and on Apr. 1 was assigned as acting division superintendent for Ilocos Norte. Teachers have recently been returned to duty in this division, and Mr. G. N. Briggs, division superintendent for Surigao, is acting as superintendent for the division of Misamis in addition to his duties in Surigao.	Cagayan.
Nueva Ecija.....	T. W. Thomson.....	San Isidro.
Nueva Vizcaya.....	J. J. Coleman..... Mr. William Abel was serving as head teacher for this division from Sept. 19, 1903, to Jan. 5, 1904, when he was relieved by Mr. Coleman, who was appointed division superintendent Jan. 6, 1904. Mr. Coleman has been on leave of absence in the United States since July, 1904, and Mr. Norman G. Connor is acting as division superintendent during the absence of Mr. Coleman.	Bayombong.
Occidental Negros.....	Charles E. Putnam..... Mr. Putnam has been on leave of absence in the United States since June 18, 1904, and Mr. W. K. Beehelder has been acting superintendent for this division since the departure of Mr. Putnam from his division.	Bacolod.

APPENDIX F.—*Superintending and supervising force, bureau of education, for the year ending September 15, 1904—Continued.*

Division.	Superintendent.	Headquarters.
Oriental Negros.....	Vacant. Mr. Samuel T. Lee was superintendent of this division to and including Mar. 31, 1904, when he was detailed on special duty in the office of the general superintendent of education. He resigned from the service, and Mr. W. S. Dakin is at present acting superintendent for this division and has served in such capacity since the departure of Mr. Lee from his division.	Dumaguete.
Pampanga and Bataan.....	William E. Prentiss. Mr. J. M. Gambill was acting superintendent for this division from Mar. 24, to Sept. 6, 1904, during the absence of Mr. Prentiss, who was on leave of absence in the United States.	San Fernando.
Pangasinan.....	E. G. Turner. Mr. S. A. Newsom was superintendent of this division to and including date of resignation, Dec. 11, 1903. Mr. F. D. Anglemeyer was acting superintendent from Dec. 11, 1903, to Feb. 29, 1904, when he was relieved from this duty by the appointment of Mr. Turner as division superintendent on Mar. 1, 1904.	Lingayen.
Rizal.....	B. G. Bleasdale. Mr. Bleasdale has been on leave in the United States since June 23, 1904. Mr. R. H. Neely has been serving as acting superintendent for this division since July 11, 1904.	Pasig.
Romblon.....	G. E. Walk.	Romblon.
Surigao.....	G. N. Briggs.	Surigao.
Tarlac.....	Vacant. Mr. O. S. Reimold was superintendent of this division to date of resignation, May 5, 1904. Mr. A. V. Dalrymple was acting superintendent from date Mr. Reimold left his division to July 10, 1904. Mr. W. A. Wedgworth has been acting superintendent of this division since July 11, 1904.	Tarlac.
Tayabas.....	J. C. Muerman.	Lucena.
Zambales.....	Otho Atkin.	Iba.
Mindoro.....	Gov. R. S. Offley.	Calapan.
Benguet.....	Gov. E. Octaviano.	Baguio.
Lepanto-Bontoc.....	Gov. W. A. Reed. Governor William Dinwiddie was ex-officio superintendent of schools for this division to the date of his resignation, Feb., 1904.	Cervantes.
Paragua.....	The acting governor.	Cuyo.
The Moro Province.....	N. M. Salsoby.	Zamboanga.
Philippine Normal School.....	G. W. Beattie.	Manila.
Philippine School of Arts and Trades.....	Ronald P. Gleason.	Do.
Nautical School.....	Vacant. Mr. William J. Colbert was acting superintendent of this school to date of his resignation, Aug. 29, 1904. Mr. Thomas L. Jenkins has been acting as superintendent for the Nautical School since the departure of Mr. Colbert.	Do.
Supervising introduction of uniform courses and science work.....	John G. Coulter.	Do.
Supervisor of music.....	Mrs. M. E. Gordon-Dunster.	Do.
Supervisor of drawing.....	W. H. Hilts.	Do.
Supervisor of kindergarten work.....	Kate L. Bassett.	Do.

Principals of high schools.

Province.	Town.	Name of principal.
Manila.....	Manila.....	F. R. Lutz. E. W. Oliver. Guy Clinton.
Camarines.....	(Nueva Caceres.....)	F. L. Cronc.
Albay.....	(Daet.....)	Maud L. Johnson, acting.
Sorsogon.....	Guinobatan.....	C. J. Pierson.
Batangas.....	Sorsogon.....	S. W. Ford.
Bohol.....	Batangas.....	I. R. Wellington, acting.
Cagayan.....	Tagbilaran.....	H. C. Theobald.
Bulacan.....	Turnegarrao.....	L. W. Cureton, acting.
	Baliuag.....	A. L. Burnell.
		Opha C. Lewis.

Principals of high schools—Continued.

Province.	Town.	Name of principal.
Capiz.....	Capiz.....	Mary H. Fee.
Cebu.....	Cebu.....	F. J. Daniel.
Cavite.....	Cavite.....	S. K. Mitchell.
Ilocos Norte.....	Laoag.....	H. C. Russell.
Ilocos Sur.....	Vigan.....	Charles K. Bliss.
Abra (see report).....	Bangued.....	C. B. Dickinson, in charge.
Iloilo.....	Iloilo.....	C. H. Maxson, acting; J. D. De Huff, head teacher for province, in charge.
Antique.....		
Laguna.....	Pagsanjan.....	L. G. McConachie, acting.
Union.....	San Fernando.....	J. W. Johnson.
Leyte.....	Palo.....	A. A. Bear, acting.
Masbate.....	Masbate.....	E. S. Shortess, in charge.
Samar.....	Catbalogan.....	C. L. Hoover.
Misamis.....	Cagayan.....	E. J. Albertson, in charge.
Nueva Ecija.....	San Isidro.....	C. D. Schell.
Nueva Vizcaya.....	Bayombong.....	H. S. Strasbaugh, in charge.
Occidental Negros.....	Bacolod.....	R. B. Howell.
Oriental Negros.....	Dumaguete.....	F. J. Bailey.
Pampanga.....	San Fernando.....	J. L. McMillan.
Bataan.....	Batanga.....	H. E. Bell to Sept. 1, 1904; Thomas F. Manns, in charge since Sept. 1, 1904.
Pangasinan.....	Lingayen.....	F. D. Anglemeyer.
Rizal.....	Pasig.....	Stewart Laughlin.
Romblon.....	Romblon.....	John H. Jenkins.
Surigao.....	Surigao.....	C. M. Moore.
Tarlac.....	Tarlac.....	G. M. Egan.
Tayabas.....	Lucena.....	H. H. Balch.
Moro Province.....	Zamboanga.....	Charles R. Cameron.

APPENDIX D.

Table showing by provinces the total number of public schools in the Philippine Islands.

Provinces.	Number of schools.	Provinces.	Number of schools.
Manila.....	39	Masbate.....	30
Abra.....	43	Mindoro.....	28
Albay.....	33	Misamis.....	67
Ambos Camarines.....	63	Moro.....	49
Antique.....	18	Negros Occidental.....	70
Bataan.....	15	Negros Oriental.....	71
Batangas.....	65	Nueva Ecija.....	44
Benguet.....	3	Nueva Vizcaya.....	16
Bohol.....	149	Pampanga.....	72
Bulacan.....	96	Pangasinan.....	101
Cagayan.....	65	Paragua.....	9
Capiz.....	68	Rizal.....	60
Cavite.....	57	Romblon.....	21
Cebu.....	156	Samar.....	50
Ilocos Norte.....	84	Sorsogon.....	19
Ilocos Sur.....	141	Surigao.....	55
Iloilo.....	57	Tarlac.....	34
La Laguna.....	85	Tayabas.....	79
Isabela.....	13	Zambales.....	29
La Union.....	50		
Lepanto-Bontoc.....	7	Total.....	2,283
Leyte.....	72		

The above number comprises 2,233 primary schools, including 7 kindergartens, in Manila; 38 provincial schools, including 2 in Manila and 1 in Moro Province; 12 intermediate schools already established; 15 additional intermediate schools have been authorized.

APPENDIX G.

SOME OF THE CIRCULARS SENT BY THE GENERAL SUPERINTENDENT TO DIVISION SUPERINTENDENTS, SEPTEMBER 15, 1903, TO SEPTEMBER 15, 1904.

No. 26, Series 1903.]

MANILA, November 11, 1903.

Corporal punishment.

Corporal punishment of pupils in the secondary schools of the Philippines is hereby forbidden. By this is included not only whipping, but especially blows upon the face with the hand. Pupils in attendance at the secondary schools are presumed to be no longer children, but young men and women and able to choose between conducting themselves properly or leaving the school.

Hereafter, a pupil of a secondary school who conducts himself unworthily or refuses to submit himself to the regulations of the school shall be suspended or expelled by the principal, with the approval of the division superintendent, and in cases of flagrant misconduct the expulsion may be made publicly in the presence of the school.

No. 29, Series 1903.]

MANILA, November 14, 1903.

Department assistant examination.

I have the honor to call attention to the fact that the passing of the department assistant examination will be accepted by this bureau and the civil-service board as the equivalent of the teacher's examination, so that one who has eligibility in the department assistant examination is not required to take any other civil-service test for promotion in the teaching service. This information is promulgated for the benefit of those who are already eligible as department assistants, and further to encourage qualified teachers to take the department assistant examination in place of that particularly designed for teachers.

This is the only substitute which will be accepted in lieu of the teacher's examination. In this connection see page 18, section 14, of the Manual of Information of the Civil-Service Board.

No. 31, Series 1903.]

MANILA, November 30, 1903.

Insular Normal School.

I have the honor to call the attention of division superintendents and teachers generally to the following minute, which has been adopted by the Philippine civil-service board:

"Ordered, That future graduates of the Insular Normal School at Manila shall be eligible to appointment to the classified teaching service of the Philippine Islands without examination by the civil-service board.

"W. S. WASHBURN, *Chairman.*"

No. 37, Series 1903.]

MANILA, December 18, 1903.

Method of handling school funds.

In consultation with different division superintendents, I have met with many statements of the difficulties in securing an economical and proper appropriation of the school funds by the towns. In many cases in the last year, school funds were not appropriated for school purposes but were spent for other ends not authorized by law. For this reason I urge attention to the inclosed statement of the plan followed in the province of Bulacan.

The essential feature of this plan is that the provincial treasurer instructs the municipalities that school funds are to be appropriated under the direction of the division superintendent of schools, who thereupon undertakes to furnish a report to the treasurer of the expenditures of these moneys. This plan has unquestionably succeeded in the division of Bulacan. I see no reason why it should not be adopted in many other divisions, provided it commends itself to the attention of the provincial treasurers. It has received the indorsement of the insular treasurer, who recommends it for universal establishment in the letter a copy of which is inclosed.

The success of this plan depends, as does the success of so much of our school work, upon a clear business understanding between the provincial treasurer and the division superintendent of schools. The plan, of course, can not be adopted except by the approval of the provincial treasurer, inasmuch as it involves the delegation of a portion of his responsibilities to the division superintendent as agent.

I respectfully urge upon the division superintendents to present this matter, with inclosed letters, to the provincial treasurer or treasurers of each division, and see whether it is not advisable to adopt this same plan in the division generally.

[Inclosures.]

A successful method of handling school funds.

Act 82 states that "the proceeds of at least one-fourth of 1 per cent of all the lands and improvements (buildings) as assessed shall be devoted exclusively to the support of free primary schools and the providing and erection of suitable school buildings." (The municipal council can, with the consent of the provincial treasurer, appropriate for school purposes any amount from one-fourth per cent to one-half per cent of the assessed value of the lands.) The same law provides that the municipal council shall submit to the provincial treasurer for his approval within the month of January each year a presupuesto or estimate of expenses for the year. These presupuestos have heretofore set apart so much money for carting books, so much for repairs, rent, etc. The council or presidente, usually the presidente, can have two hours' work done as repairs on the schoolhouse, and collect 10 or 20 pesos for it, or any amount he desires, providing he does not go beyond the appropriation. He has the power to issue a warrant for the full appropriation for carting school supplies even though he has but one box of supplies carted 50 yards.

To avoid this evil, change the form of the presupuesto. Find in the provincial treasurer's books the amount school funds on hand January 1; add to this sum the amount of one-fourth per cent, or the fractional per cent voted, of the assessed value of the land and buildings; this gives the estimated school funds for the year. State it as such. On the same page state "Salarios de los maestros y maestras y gastos de muebles, alquiler de edificios, reparaciones y todos los demas gastos designados para escuelas publicas," to be the total amount of school funds for the year. (See inclosed presupuesto.) Request the council to approve this presupuesto in triplicate and submit it to the provincial treasurer for his approval; then the superintendent approves the same, retains one copy, returns one to the council and the other to the provincial treasurer.

The provincial treasurer then writes a circular letter to all the municipal treasurers, stating that the expenditure of the school fund for the year is under the direction of the division superintendent of schools, and in case any municipal treasurer pays from the school funds an account not approved by the division superintendent of schools, said municipal treasurer becomes personally and officially responsible for the amount paid, and the same will be charged to his bond when his accounts are audited.

The superintendent then issues an approved monthly pay roll (Form B) in triplicate for each municipality and sends it to the municipal treasurer. State in this pay roll the itemized statements of the amounts to be paid, of salaries, for repairs, etc. (to whom, for what purpose, etc.), from the school funds. When these payees receive their pay they sign the pay roll, which then becomes a receipt. On the reverse side of the pay roll is a complete account of the school funds on hand at the beginning of the month, the amount of land tax as school funds paid in during the month, the expenses for the month, and the amount on hand at the close of the month. One copy of this pay roll is retained by the municipal treasurer, one is sent to the division superintendent of schools, and the other is attached to the municipal treasurer's monthly account to the provincial treasurer.

The provincial treasurer makes a monthly statement to the superintendent's office showing the amount of school funds paid over to each municipal treasurer in the province.

The superintendent will then compare the accounts of the municipal treasurers and the provincial treasurer, and if an error occurs will call it to the attention of the municipal treasurer, who will readily correct it.

This method works to perfection. Not a penny of school funds of Bulacan Province has been misappropriated this year. The schools have received the worth of every cent that has been spent for them.

This method of procedure greatly lightens the work of the provincial treasurer. He is not compelled to go from town to town to guard the school funds and see that they are properly expended; he leaves this work entirely in the hands of the division superintendent of schools. The provincial treasurer looks after the general funds, but the superintendent guards the school funds. This method has been worked out in this province. It can be used successfully in all provinces providing the proper relations exist between the provincial treasurer and the division superintendent of schools.

E. G. TURNER.

[FORMA A.]

ESCUELAS PÚBLICAS, MUNICIPIO DE MALOLOS, PROVINCIA DE BULACÁN.

Presupuesto.

Presupuesto de gastos para la instrucción publica de este pueblo que se ha de regir desde el 1 de enero de 1903 hasta fines de diciembre de 1903, formado por el consejo de este municipio, en virtud de las instrucciones facilitadas por el superintendente de división de escuelas de esta provincia, quien ha aprobado el mismo.

	Local currency.
Balance del año anterior.....	\$915.52
Contribución territorial—un cuarto del 1 por ciento del valor amillarado de los terrenos y mejoras	2,408.80
Total.....	3,321.32

Local
currency.

Salarios de los maestros y maestras y gastos de muebles, alquiler de edificios, reparaciones y todos los demás gastos para escuelas (bajo la dirección del superintendente de división de escuelas)..... \$3,224.32
Municipio de Malolos, á — de — de 1903.

Presidente Municipal.

El secretario que suscribe certifica: Que el gasto relacionado con el presupuesto anterior ha sido ordenado y autorizado por el consejo de este municipio en el día — de — de 1903.

Secretario Municipal.

[FORMA B.]

BUREAU OF EDUCATION, MALOLOS.

Lista de pagos aprobados para el mes de octubre de 1903.

Autorizado por el consejo municipal, se suplica al presidente para expedir libramientos en favor de los interesados y el tesorero municipal queda ordenado á pagar dichos libramientos de los fondos escolares á los siguientes interesados por sus servicios prestados a las escuelas públicas durante el mes de octubre de 1903:

Á Escolástico Gutmaitín, maestro.....	\$35.00	Recibido.....
A Esteban Fajardo, maestro.....	27.00	Recibido.....
A Antonio Antonio, maestro.....	28.00	Recibido.....
A Julia de Jesús, maestra.....	28.00	Recibido.....
A José A. Bautista, alquiler casa escuela.....	15.00	Recibido.....
A Juan Dimagiba, alquiler casa escuela.....	10.00	Recibido.....
A Julián Reyes, alquiler casa escuela.....	10.00	Recibido.....
Total.....	153.00	

Aprobado:

F. G. TURNER,
Superintendente de Escuelas.

Malolos.	Mexican currency.	Philippine currency.
Balance de la cuenta anterior.....	\$532.84	\$640.00
Contribución territorial pagado en el mes de octubre de 1903.....		
Gastos durante el mes de octubre de 1903.....	153.00	

V. B.

Presidente Municipal.

Tesorero Municipal.

(This form will be supplied from the general office upon request.)

MALOLOS, P. I., October 29, 1903.

Mr. F. G. TURNER,

Division Superintendent of Schools, Province of Bulacan, Baliuag, P. I.

SIR: In reply to your communication of the 19th instant, in which you request me to furnish you with a statement relative to the system of appropriating municipal school funds as pursued in this province and the accounting for such funds as required of municipal treasurers, I have the honor to make the following statement:

The system of appropriating school funds by municipal councils is as followed in this province, i. e., providing for school expenses by the appropriation of all school funds in a separate annual estimate at the beginning of each year, such funds to be expended by and under the supervision of the division superintendent of schools as explained in your statement herewith, has been productive of most satisfactory results, not only in simplifying the handling of such funds and protecting them against misappropriation, but also in relieving this office of much of the great volume of work necessarily imposed upon it.

The legality of such a system is unquestionable in the opinion of this office, in view of the initiative action which a municipal council must necessarily take in the matter.

All native teachers must be employed, and their salaries fixed by the division superintendent of schools in accordance with section 9 of Act 71 of U. S. P. C., and the subsequent approval by the division superintendent of miscellaneous expense accounts, such as rents, repairs to buildings, etc., as provided in this system, is for the purpose of complying with section 1, subsection C, of Act 132 of the U. S. P. C., besides establishing an excellent check on such expenditures as made from school funds by municipal treasurers.

This system especially simplifies accounting by municipal treasurers and reduces the work of auditing municipal school fund accounts to a minimum.

In conclusion, I would state that I most heartily indorse and recommend this system of handling municipal school funds, and am fully convinced that it is the most satisfactory and practical method for treating such funds.

Very respectfully,

RICHARD GOODHART,
Treasurer, Province of Bulacan.

MANILA, November 9, 1903.

Mr. E. G. TURNER.

Division Superintendent of Schools, Baliuag, Bulacan, P. I.

SIR: Acknowledging receipt of your favor of the 31st ultimo relative to the present mode of handling school funds in the province of Bulacan, I have the honor, after careful investigation of your system, to express my concurrence in the indorsement of Treasurer Goodhart.

The multiplicity of duties devolving upon a provincial treasurer renders his personal attention to various details impossible and a harmonious cooperation of the treasurer and division superintendent in this particular instance could be productive of nothing short of success.

I take pleasure, therefore, in recommending the universal establishment of the system as proposed in your communication.

Very respectfully,

FRANK A. BRANAGAN,
Treasurer, Philippine Islands.

No. 38, Series 1903.]

MANILA, December 28, 1903.

New series of report forms.

A new series of report blanks for use in the public schools throughout the islands has been prepared and will be distributed for general use beginning January 1, 1904. The blanks are seven in number, as follows:

Record Form No. I. Class-room register. This register is designed for use in every class room whether in the central or barrio school. Copies have not yet been received from the public printer, but at the earliest possible moment a supply will be forwarded to the division superintendents, who are requested to put the register promptly into general use.

Record Form No. II. Class-room teachers' report to supervising teacher. This report will, as a rule, be prepared by the Filipino teacher to be submitted on the last day of the month to the supervising teacher of the town. In the absence of a supervising teacher the report goes direct to the division superintendent. This form appears at first sight somewhat difficult of preparation. It has been given thorough test, however, in at least one division. With some slight help the native teacher will learn to prepare it properly with few mistakes.

Record Form No. III. Day school report of supervising teacher to division superintendent. This report is to be prepared chiefly from the data presented in Form No. II.

Record Form No. IV. Teachers' class report of supervising teacher to division superintendent.

Record Form No. V. Report of night-school teacher to division superintendent.

Record Form No. VI. General report of division superintendent to general superintendent. It will be noted that this report embodies a detailed statement on school conditions in every town in the division as well as a statement as to the work of each individual teacher, insular and municipal. The plan will entail considerable additional work in the office of the division superintendent, but this information should be in permanent form and easily accessible in the local office as well in the office of the general superintendent.

Report on Form No. VI will be required of division superintendents about four times a year: the first statement will cover the month of January, 1904; the second, the month of March. Reports from the teachers to the division superintendents will, however, be made monthly, and it is desired that the local office be at any time prepared, upon request, to communicate to the general office statistics and statement on school conditions for the preceding month for any town in his division, even though a general report covering that period is not required.

Record Form No. VII. Absence report on insular teachers, submitted by division superintendent to general superintendent. This report should be accompanied by evidence of illness or other papers explaining cause of absence.

It is absolutely essential that the utmost promptness be observed by all teachers in submitting reports to local superintendents. There should be no deviation from the rule that these statements shall be placed in the mails upon the last day of each calendar month. The report of the division superintendent to the general superintendent should be forwarded in any case not later than the 15th of the month following the period covered by the report. If municipal reports are for any reason delayed beyond that date in reaching the division superintendent, he will make mention of the delinquent teachers. Supplementary report should in such cases be submitted later. It is understood that in some instances the poor mail service prevents prompt communication from isolated towns.

No. 2, Series 1904.]

MANILA, January 15, 1904.

Character and efficiency report.

Attention is called to a new record form, Character and efficiency report on insular teachers, a copy of which is inclosed. Copies of this form, in duplicate, have been mailed this week to all teachers on insular salary. Its purpose is to obtain a more accurate and complete record of the services and character of the teachers employed in this bureau.

Division superintendents are directed to fill in the lower portion of this form as fast as copies are received from teachers, and to forward one of the duplicates in each case to this office. The information requested in this form is needed at once and the division superintendents can not exercise too great diligence in complying with these instructions.

No. 5, Series 1904.]

MANILA, January 16, 1904.

Limits of the school day.

By the provisions of Act No. 1040, a minimum of five hours' work daily in school is required of all teachers. The provision of the law is as follows:

"The number of hours for the daily sessions of the public schools shall be fixed by the secretary of public instruction, but they shall not be less than five hours a day."

My interpretation of this law would allow within this five hours, time spent by teachers instructing either pupils or native teachers and also time spent by a supervising teacher in visiting barrio schools and supervising or inspecting class-room instruction by American or Filipino teachers, but it clearly requires a minimum of five hours' school work from every teacher.

No. 6, Series 1904.]

MANILA, January 21, 1904.

Traveling expenses of supervising teachers.

An appropriation has been made by the Philippine Commission to pay the traveling expenses of teachers, who may be directed by the division superintendent to supervise school work and give instruction in towns adjacent to those in which they are stationed or in remote barrios of their respective towns.

In cases where division superintendents deem it advisable for teachers to make regular trips weekly or more often, for the above purposes, they will arrange definite schedules of routes to be followed and submit same to this office for approval by the general superintendent.

The traveling expenses of teachers, exclusive of subsistence, can be paid in all cases where they follow instructions of the division superintendent. Their expenses should be submitted on the regular expense voucher, supported by receipts, and should be accompanied by copy of letter of instructions from the division superintendent to the teacher, in addition to note from the former approving the expenditure.

No. 7, Series 1904.]

MANILA, P. I., February 4, 1904.

Appropriation of general funds for school purposes.

The attention of this office has been drawn to the fact that in several provinces municipal councils have made appropriations for the erection and repair of school buildings and payment of teachers' salaries out of the general funds of the municipal treasury and have later returned this money thus appropriated from the school to the general fund. The attorney-general and the insular treasurer state that this practice is illegal. The council may make a loan to the school fund with the understanding that the treasury shall be reimbursed from that at a later date; but the transaction, if it is to be considered in the nature of a loan must be distinctly so characterized on the municipal records. Otherwise the money must be considered to have been permanently appropriated for school purposes and can not be reassigned for other uses. The following is an extract from an indorsement of January 6, of the treasurer of the Philippine Islands:

"Respectfully returned to the honorable the secretary of finance and justice, inviting attention to the opinion rendered by the honorable the attorney-general, under date of December 23, 1903, to the effect 'That amounts advanced for school purposes in the year

1902 out of the fund of any municipality can not be abstracted from a part of the taxes now collected, now set aside for school purposes. Act No. 82 of the Philippine Commission, section 43 *b*, provides that the proceeds of at least one-fourth of 1 per cent of the lands and improvements as assessed shall be devoted exclusively to the support of free public primary schools and the repairing or erection of suitable school buildings. The municipal council shall have discretion to expend the remaining one-fourth of 1 per cent or as much thereof as they shall deem wise to levy for any lawful municipal purpose herein provided.

"From the foregoing opinion and quotation from the Municipal Code, it is presumed by this office that the same would apply in the present instance and as there is no provision by which an amount thus appropriated can be later abstracted from the special school funds unless such appropriation is made and specified as a loan, the same should stand in the nature of a gift or donation rather than be reimbursed to the general funds.

"FRANK A. BRANAGAN.

"*Treasurer, Philippine Islands.*"

No. 9, Series 1904.]

MANILA, February 5, 1904.

Resignations and leaves of absence of teachers.

In accordance with the provisions of Act No. 1040, recently enacted by the United States Philippine Commission, and executive order No. 9 of the civil governor, a memorandum has been drawn for the benefit of teachers, stating the conditions under which their resignations will be accepted and leaves of absence granted them, in accordance with the length of time which they have served in these islands. A copy of this memorandum is inclosed for your information, and a copy is being mailed to every teacher in the bureau of education. A copy of Act 1040 is also inclosed and copies sent to each teacher, and these will be followed by copies of executive order No. 9 as soon as they can be obtained from the public printer.

It is desired that division superintendents familiarize themselves with every provision of this memorandum and advise teachers relative to their going home. In this connection a report is desired from each division superintendent to be submitted as soon as the required data can be secured, relative to the number of teachers in each division who expect this year to permanently sever their connection with the bureau of education. The period of three school years of service expires for so considerable a number within the next few months that it has been anticipated that the engagement of a large number of new teachers in the United States to fill vacancies made by separations will be necessary. The last appropriation bill fixes the total number of teaching positions in this bureau at 873; there are at the present time in service in the archipelago 788 teachers. It is very desirable that for the coming year the full number of teachers authorized by law be engaged. These teachers will be supplied through civil service examinations in the United States and appointment from this office. It is not believed that there will be any difficulty in filling our ranks with desirable men, but it is necessary that the intention of every teacher who intends to resign at the end of this year be understood before the beginning of vacation in order that arrangements may be made to fill the vacancies so occasioned.

Attention in this connection is invited to Circular No. 8, setting forth the revised salary list effective since the 1st of January.

Application for leave of absence to visit the United States should be submitted to this office on civil-service Form No. 55, through the office of the division superintendent of schools. Copies of this form will be sent to division superintendents at an early date.

No. 10, Series 1904.]

MANILA, February 20, 1904.

Local school boards.

I wish to invite the attention of division superintendents to sections 10, 11, and 12 of Act No. 74, relative to local school boards. It is believed that in many divisions the organization of school boards has been largely neglected. The law, however, is quite explicit perhaps even mandatory in its provision for their establishment, and it is believed that the growing interest of the Filipinos in public education demands our immediate attention to the reconstitution of this local advisory body.

Especially in connection with the selection of sites and the procuring of means for building new schoolhouses, as provided in paragraph (d) of section 12, do I believe that the assistance of Filipino citizens of the municipality, acting in their official capacity on a local school board, may be of decided importance.

A report is desired from all division superintendents as to the state of the local school boards in each division. Wherever such are in existence the names of the members are

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A report is desired from all division superintendents as to the state of the local school boards in each division. Wherever such are in existence the names of the members are

requested. This bureau will cooperate in an effort to increase the interests of the members of the local school boards by sending them copies of all school publications and circulars containing general information, and will try to answer promptly any communications sent by such boards direct to this office in accordance with paragraph (c) of section 12.

It is desired that division superintendents express themselves freely upon the question of what help can be expected from a reorganization of the local school boards, and suggest matters which can be referred to them in their advisory capacity.

No. 11, Series 1904.]

MANILA, February 17, 1904.

American teachers' institutes.

The division superintendent of schools for Cebu has submitted plans, which meet with my full approval, for an American teachers' institute to be held at the end of the present school year, in order to discuss, especially with the new teachers in the division, matters of school work and common interest.

Inasmuch as nearly every division contains teachers who have recently arrived from the United States, this plan is recommended to division superintendents generally. Time spent in this way, if not in excess of three days, may be credited to the teachers' service.

No. 15, Series 1904.]

MANILA, P. I., February 29, 1904.

On schoolhouse construction.

The coming year promises to be notable in the history of this bureau for building and construction. Not only are a great many barrio schools in progress of erection, but a number of municipalities are undertaking permanent school buildings, while the provincial boards in many provinces have either appropriated or provided for by loans for buildings for the provincial school.

It is exceedingly desirable in the case of all school buildings to be erected that the construction should be of an improved type and character. The bureau of architecture, upon the request of municipal councils or provincial boards, will prepare plans and specifications and will assist us in other ways, but it is desirable that all preliminary plans and data be carefully scrutinized and completed before submission to the bureau of architecture for final draft. For this work Mr. J. J. Eaton, of the Philippine School of Arts and Trades, has been given a desk in this office with instructions to correspond with division superintendents relative to proposed school buildings and to assist in every possible way in the preparation of preliminary plans. A pamphlet will be published which will contain full information upon these matters as well as suggestive plans and illustrations for all classes of school buildings.

I wish to call attention to the importance of securing suitable sites for every kind of public school. The necessity of an adequate campus for provincial schools has been dwelt upon in a previous circular, but there is equal reason for having spacious grounds and healthful surroundings for municipal and barrio schools. Wherever possible, permanent sites for schools should be secured. They should be a little removed from the noise and confusion of traffic and dwellings, and they must be dry, healthful, and, where possible, shaded. The action of provinces and municipalities should be sought, dedicating such sites permanently for school purposes, and in this connection I urge the reorganization of the local school boards for assistance in this work of procuring school grounds. Where a municipality is unable at the present time to erect a school building it will be able in many cases to set aside a suitable piece of ground for future building.

It is desired that all division superintendents report the number and kind of school buildings which it is proposed to build in each division. In addition to this a full report is wanted upon all school construction which has taken place in each division since the organization of the bureau of education. The names, locations, and cost of such buildings should be given. Wherever possible, sketches, ground plans, or illustrations should also be furnished.

In order to have necessary data for the improvement of the present condition of school buildings and the making of proper provision for future structures, it is desired that copies of the inclosed circular, properly filled out, be returned to this office whenever application is made for the preparation of plans for school buildings.

No. 17, Series 1901.]

MANILA, P. I., March 3, 1904.

Government scholarships in the United States.

Act No. 854, providing for the education of Filipino students in the United States, reads as follows:

"In each of the school divisions of the archipelago examinations to secure a list of students best qualified to receive and profit by a course of instruction and education in the United States shall be held under the direction of the division superintendents on or before the thirty-first of March in each year hereafter. Candidates for examination must be students of the public schools and natives of the Philippine Islands, of good moral character, sound physical condition, and not less than sixteen nor more than twenty-one years of age. Full report of such examinations shall be made by division superintendents to the general superintendent of education, who shall certify to the civil governor, through the secretary of public instruction, as eligible for appointment as government students to be educated in the United States, all candidates receiving a percentage of not less than seventy-five in in each subject of examination."

In accordance with the above provisions of law, an examination of candidates for government scholarships is hereby announced for the 31st of March ensuing and you are directed to post a copy of the inclosed notice in each municipality of your division. Examinations may be held during hours and places designated by division superintendents, but they must all be held upon the same day and it is believed by the undersigned that they should be uniform for all divisions. For this purpose examination papers will be sent out to all divisions superintendents upon the subjects to be required for examination. These examination papers are now being prepared in this office. They will cover the subjects requisite to admission into high schools in the United States, and the aim will be to make them of a sufficiently high standard to exclude all students who are not qualified to enter upon such a course. The relatively high character of the examination should be understood and pupils whose chances of obtaining an eligible rating are small should not be urged to compete in the examination.

The examinations will be conducted entirely in English and, in accordance with the provisions of the law, all applicants must be students of the public schools of the islands, and the division superintendent will certify to this fact as well as to the moral character and reputation of the applicant.

The applicants may be of either sex.

Sample questions from the first examination of candidates for the government scholarships in America.

English grammar.—1. Write the plurals of the following words: Knife, cargo, lady, valley, Englishman, brother-in-law, woman, mouse, radius, and church.

2. Give the three degrees of comparison of the adjective "good," and use each degree in a sentence.

3. Write a sentence using the verb "study" in (a) the active voice; (b) the passive voice; (c) in the present tense, third person, singular number; (d) in the future tense; (e) as an intransitive verb.

4. Write sentences using the word "that" as an adjective, as a relative pronoun, and as a conjunction.

5. Tell the part of speech of each word in the following sentence: "Benjamin Franklin, who was once a poor printer in the city of Philadelphia, became a great and wise man."

6. Write: (a) A simple sentence; (b) a complex sentence containing an adverb clause; (c) a complex sentence containing a relative clause; (d) a compound sentence.

7. What is the active voice of a verb? The passive voice? What is a transitive verb? An intransitive verb?

8. Tell the case of each noun and pronoun in the following sentences, giving the reason in each case: (a) John gave his sister a book. (b) His brother, the captain, is a large man.

Geography.—1. What is the earth's size? What are its movements? What are the effects of these movements on the distribution of light and heat?

2. Define and explain winds: trade winds. What are the prevailing winds of the Torrid Zone?

3. What is climate? Compare the climate of western Europe with that of eastern North America. Why is there a difference?

4. Define commerce: foreign commerce: domestic commerce.

5. What are the most important articles exported from the Philippine Islands? What are the most important imports?

6. Give three differences between young rivers and old rivers.

7. What form of government has the United States? Great Britain? Russia? Australia? France?

8. Locate the following cities: Havana; New York; St. Petersburg; Berlin; Melbourne; Cape Town; Liverpool.

9. Locate the following countries: Brazil; Russia; France; Turkey; New South Wales; Bulgaria.

10. Locate the Carayan River; Mississippi; Amazon; Danube; Yellow River.

United States history.—1. Name three prominent early North American discoverers. Describe discoveries made by each. Name three prominent early North American explorers. Describe explorations of each.

2. Name and describe three early and successful North American settlements.

3. Give causes of Revolutionary war. Name three prominent American generals in that war.

4. Describe the Constitution of the United States. When was it adopted? Why was it necessary?

5. From what countries were the following States obtained? Florida; California; Texas; Louisiana.

6. What was the Emancipation Proclamation? By whom was it issued? Why was it necessary? What was its effect?

7. For what were the following men noted? Washington; Jefferson; Lincoln; Grant.

8. Give cause and effects of the Spanish-American war.

- Arithmetic.*—1. At \$75 per hectare, what will be the value of a lot 200 meters long and 80 meters wide?
 2. Find the simple interest on \$2,475 at 7 per cent for two years and six months.
 3. The circumference of a wheel is 47 124 decimeters. Find its diameter.
 4. Divide 1.443 by 8473.
 5. The difference in longitude between two places is $9^{\circ} 34' 25''$. What is their difference in time?
 6. A ladder 35 feet long is so planted as to reach a window 20 feet from the ground. Find the distance from the foot of the ladder to the house.
 7. A Chino gains 50 per cent by selling 6 boxes of matches for 10 cents. What per cent would he gain by selling 2 boxes for 5 cents?
Physiology.—1. What is a "cell" in animals?
 2. Give the size, position, and purpose of the stomach. Make a diagram of it.
 3. What is the gastric juice for? Where secreted? What is the bile for? Where is it secreted?
 4. What is the purpose of the heart? Describe its structure.
 5. Define arteries, veins, lungs.
 6. What gas is taken into the body when we breathe? What gas is given out? Give two reasons why it is better to breathe through the nose than through the mouth.
 7. Why is it important to drink pure water? In what places is water likely to be impure? Why is it very dangerous to have decaying material and stagnant water near our houses? How may impure water be made pure?

No. 31, Series 1904.]

MANILA, P. I., April 1, 1904.

The attention of division superintendents is invited to the following communication addressed to this office:

DEPARTMENT OF THE INTERIOR,
 BOARD OF HEALTH FOR PHILIPPINE ISLANDS,
 OFFICE OF THE COMMISSIONER,
 Manila, March 24, 1904.

GENERAL SUPERINTENDENT OF EDUCATION,
 Manila, P. I.

SIR: I have the honor to transmit herewith 200 copies of Health Bulletin No. 3, on the care of infants. This bulletin is a translation of a circular in the various native languages for the information of native mothers, and is intended for the reduction of the excessive mortality among young children, which mortality is largely due to ignorance, improper feeding, exposure, and neglect. The copies above mentioned are sent to you for distribution among English-reading teachers, so that they may be able to intelligently advise parents in respect to matters treated of in this bulletin and which may come under their notice as a result of their necessarily close official relations with the people.

Very respectfully,

E. C. CARTER,
 Major and Surgeon, U. S. Army, Commissioner of Public Health.

Copies of the bulletin mentioned in above letter are forwarded for distribution to Filipino teachers.

No. 38, Series 1904.]

MANILA, P. I., May 23, 1904.

Reports on public school buildings and school finances.

A blank form for report on public school buildings has been prepared in this office and copies will be forwarded to division superintendents as soon as they can be obtained from the public printer. A copy of this form is to be filled out for every town in your division supporting a public school. Information will be required in each case upon the following headings:

1. Name of school (central or barrio).
2. Character of building (stone, wood, or nipa); walls; floor; roof.
3. Size of building; dimensions; number of rooms.
4. If leased, what is monthly rental paid.
5. If owned by government: When built; under whose supervision. Original cost of construction: In money; in contributed labor. Repairs or additions: When made; cost. Present valuation. Present condition. From what fund was cost of construction paid.
6. Remarks as to adequacy of present building, etc.

This report will be submitted by division superintendents to the general superintendent on July 1, 1904. Each individual town will be considered in its present status as consolidated under recent act of the Commission. If municipal school is not in session at the time of submitting this report, statistics on buildings rented or loaned to municipalities for school purposes should cover the last month of the preceding year. Separate detailed report is required on every case involving loan from insular government to province or municipality, indicating the amount of funds so made available and progress to date on construction of buildings. If assignment has been made to the province of government relief rice for school purposes, give date and amount of such assignment and submit special report as to method of utilizing rice and number and character of buildings erected.

Pictures of school buildings of each division will be valuable in illustration of prevailing conditions and will be inserted in the annual report of this office now in preparation.

Detailed report will also be due on July 15 from division superintendents on school finances, covering the fiscal year ending June 30, 1904. This will entail a statement of all receipts and expenditures of school money during the past year in each municipality.

1. Total receipts of school fund are recognized as coming from the following possible sources: Regular school land tax; appropriation from general municipal fund; loan from general municipal fund; receipts from other sources.

2. Expenditures should be detailed under the following headings: Schoolhouse construction; repairs on school buildings; purchase, construction, or repair of school furniture; teachers' salaries; transportation of supplies; incidentals.

3. A further statement will be submitted on undischarged obligations in the nature of teachers' salaries and miscellaneous items.

It is understood that it may be found difficult or impossible to submit this information in accurate detail in many cases. The law contemplates, however, that all such expenditures shall be made under the direct supervision of the division superintendent of schools and that no expense for school purposes shall be incurred by a municipality except upon his approval and authorization. (See Act No. 74, sec. 9, and Act No. 82, sec. 3, ff., as amended by Act No. 132, sec. 1.) Unless the information essential to the above statement is available the division superintendent can not satisfactorily discharge his official obligations. Experience in past months has shown it to be absolutely necessary that municipal school finances be most carefully supervised.

Conference with provincial treasurers will doubtless be necessary in order to provide a complete record. Every effort must be made to supply this information as requested, but if the facts now desired can not be given with accuracy the nearest possible approximation thereto will necessarily have to answer our present purpose.

No. 40, Series 1904.]

MANILA, P. I., June 20, 1904.

Memorandum on teaching of agriculture.

To meet the growing necessity and demand for agricultural instruction in our schools the courses of study at present in preparation and which will be shortly issued provide for this teaching in the following manner:

In the intermediate courses (Grades IV, V, and VI) plants of the Philippines are studied in the first year, animals of Malaysia in the second, and human physiology and hygiene in the third; while, alternating twice each week, instruction is to be given in gardening, elementary agriculture, and work with carpentry tools.

In connection with the agricultural work and extending through the three years the little book *Agriculture for Beginners* will be read, and the pupils, under the direction of the teacher, will make experiments in the preparation and fertilization of soils, in watering plants, in studying the destruction of injurious insects, and in planting and raising new garden and staple products.

Among the secondary courses the three years' course in agriculture, it is believed, will attract a considerable number of pupils. Few, however, for this coming year will be fully prepared to enter upon this course without some additional preparatory instruction in general agriculture, which will hereafter be supplied by the work above outlined for the intermediate course. For the preparation of these students and also for the benefit of adult farmers who may care to take up agricultural study, a provisional preparatory year in agriculture may be offered during the school year 1904-5. This year's work will be based upon the text-book *Agriculture for Beginners*, adapted, so far as is necessary, to the tropical products and conditions found in the Philippines.

The year's work should cover the study of soils, their formation, soil replenishment, both by fertilizers and by irrigation; climate, including rainfall, seasonal changes, storms, etc.; plant physiology; agronomy, or the study of tropical crops; plant diseases; injurious insects; beneficial insects and animals; domestic animals, etc.

The work in this course can be considerably assisted by a study of the bulletins of the bureau of agriculture. A special bulletin is to be prepared giving account of agricultural work already done in the schools of the islands and with suggestive outlines for instruction this coming year.

A useful little book, Hemmenway's *How to Make School Gardens*, has been ordered and will shortly be distributed.

No. 42, Series 1904.]

MANILA, P. I., July 1, 1904.

Industrial teaching.

A standing committee on industrial teaching has been appointed by the general superintendent for the purpose of assisting in the organization of the industrial work provided by the new courses of study in the primary, intermediate, and secondary courses. Pamphlets explaining these different courses of industrial teaching are in process of preparation. They will deal with school gardening, elementary agriculture, housekeeping and sewing for the primary and intermediate courses, with mechanical drawing, carpentry, and iron-working in the secondary course. The bulletin on mechanical drawing and wood and iron working in the secondary course is already in the press. It includes lists of tools and equipment necessary, with suggested plans for ships and buildings.

The Philippine School of Arts and Trades will be able to supply blue prints of detailed courses of study, also of various articles of furniture for work of this nature, such as drawing stands, carpenter benches, and cabinets.

In order to arrange these courses of work intelligently it is necessary to secure data regarding existing conditions and the individual needs of each province, as well as the ideas of those in the field.

The committee would like to receive samples and photographs of work done by the pupils.

Answers to the following questions are desired:

1. Give names of American teachers who have shown good judgment in regard to industrial work, and state specifically in what lines you consider them capable of teaching it.

2. What are the native industries of your division and in what particular locality is the best work being done.

3. Give full data as to the amount and value of local manufactories in regard to the maintenance of the people, and also where the finished product is sold.

4. Are many of the houses in your division made of wood? Are the vehicles, furniture, and other articles of wood of local manufacture? If not, where are they made?

5. What local industries should be fostered and augmented by industrial schools, and what new industries would you suggest?

6. What support can be expected from the province, both material and moral, to further industrial work? The government will supply a competent teacher as well as tools, instruments, and such material as can not be obtained locally, after the province has furnished land, buildings, and furniture necessary.

7. Are the native teachers capable of doing industrial teaching? If so, state qualifications.

8. What attempts, if any, have been made to teach industrial work? Describe fully when work was started, outfit, and by whom furnished, subject taught, number of pupils instructed, character, and quality of work done, and time devoted to it.

9. What class of pupils attend your higher schools? Do you think industrial work will attract pupils?

The general superintendent expects to secure through this committee for publication, detailed descriptions of the special industries throughout the archipelago.

Please distribute and collect and return to this office the inclosed supplementary letters.

No. 43, Series 1904.]

MANILA, P. I., July 1, 1904.

Directions for the submission of official correspondence.

Beginning this date the following regulations for the conduct of business of the offices of the general superintendent and division superintendents of the bureau of education will be effective.

1. All correspondence relating to official business from division superintendents and teachers will be directed to the general superintendent of education, Manila, P. I. This applies to business affecting any division of the general superintendent's office.

2. A circular of required forms for official correspondence is issued together with this circular, for the information of division superintendents, their clerks, and all teachers of this bureau.

3. Beginning this date the record division of the bureau of education will be reorganized and a cross-reference system of filing will be instituted. In order to lighten the work of this branch of the general superintendent's office, division superintendents and other members of this bureau are requested to confine the matter of each communication to one single subject.

4. The special attention of division superintendents is invited to the records of the offices of division superintendents, with a view of making these as complete as possible, and to the proper indexing and filing of all official correspondence.

No. 45, Series 1904.]

MANILA, P. I., July 30, 1904.

Publications.

Your attention is hereby called to the following publications of the bureau of education, either already issued or soon to be issued:

(1) The Philippine Normal School (prospectus for the year 1903-4). (2) A Course of Study in Vocal Music for Vacation Normal Institutes. (3) The Philippine School of Arts and Trades (prospectus for the year 1903-4). (4) The Philippine Nautical School (prospectus for the year 1903-4). (5) The Treatment of Smallpox. (6) Industrial Exhibits of Philippine Schools at the Louisiana Purchase Exhibition. (7) Courses of Instruction for the Public Schools for the Philippine Islands. (8) Cursos de Enseñanza para las Escuelas Publicas de las Islas Filipinas (Spanish Translation of Bulletin No. 7). (9) Philippine Baptismal Names with English Equivalents. (10) Government in the United States. Prepared for use in the Philippine Public Schools. (11) Courses in Mechanical Drawing. Wood Working and Iron Working for Provincial Secondary Schools. (12) Advanced Courses in the Philippine Normal School. (13) Colonial Governments of European States. Prepared for use in the Public Schools. (14) Codified School Law of the Philippine Islands, with Regulations of the General Superintendent. (15) American Politics and Parliamentary Law. Explained for Filipino Students. (16) Agricultural Teaching in Primary and Intermediate Schools. (17) Ethical Teaching in the Public Schools. (18) Course in Housekeeping for Intermediate Schools. (19) Teaching of Phonics to Filipino Children. (20) Games and Athletic Training in the Public Schools.

Single copies of these can be obtained by writing this office. If they are desired in considerable numbers, they should be requisitioned for on our regular requisition blanks.

Your attention is also called to the inclosed circular of the executive bureau in relation to publications for sale at that office.

No. 51, Series 1904.]

MANILA, P. I., August 10, 1904.

School holidays.

The following holidays are authorized for the public schools of these islands:

School holidays which are also legal holidays.—New Year's Day, January 1; Washington's Birthday, February 22; Holy Thursday; Good Friday; Decoration Day, May 30; Independence Day, July 4; Occupation Day, August 13; Thanksgiving Day; Christmas, December 25; Rizal Day, December 30.

School holidays which are not also legal holidays.—Epiphany or Three Kings, January 6; Purification of the Blessed Virgin, February 2; Ascension Day, May 1; Corpus Christi; Assumption Day, August 15; All Saints' Day, November 1; Patron Saint of the Pueblo, one day only.

Instruct all teachers to close their schools on the days above listed.

Absences of teachers on any of the above listed days will not be included by the division superintendents in their monthly reports of absences to this office.

No. 52, Series 1904.]

MANILA, P. I., August 10, 1904.

Salary changes.

Your attention is called to the following changes made in the current appropriation bill relative to the salaries of division superintendents and their clerks.

Superintendents of schools will all be appointed at large and will be assigned to such duty as is directed by the general superintendent of education. The same remarks apply to clerks of the school superintendents.

The following places are authorized by the act of the Commission:

	Per annum.
1 division superintendent.....	\$3,000
3 division superintendents.....	2,500
6 division superintendents.....	2,250
5 division superintendents.....	2,000
8 division superintendents.....	1,800
8 division superintendents.....	1,600
6 clerks, class 9.....	1,200
6 clerks, class A.....	900
6 clerks, class D.....	600
3 clerks, class E.....	540
3 clerks, class F.....	480
3 clerks, class H.....	360

In addition to the above there are 1 superintendent of the Philippine Normal School, at \$3,000; 1 superintendent of the Philippine School of Arts and Trades, at \$2,400.

It will be noticed that the minimum salary for a division superintendent of schools has been raised to \$1,600 per annum and that specific salaries are no longer attached to the different school divisions. Hereafter vacancies in any of the high grades will be filled by promotion regardless of the division to which the superintendent may be assigned to duty, and without necessitating a change of divisions.

Your attention is also called to the new schedule of salaries for American teachers:

	Per annum.
3 teachers, class 5.....	\$2,000
8 teachers, class 6.....	1,800
10 teachers, class 7.....	1,600
50 teachers, class 8.....	1,500
80 teachers, class 8.....	1,400
60 teachers, class 9.....	1,300
350 teachers, class 9.....	1,200
50 teachers, class 10.....	1,100
137 teachers, class 10.....	1,000
113 teachers, class A.....	900

Provision is also made in this new appropriation bill for the payment of the actual and necessary subsistence (not exceeding 3 pesos per diem) of division superintendents, while traveling on official business. Such accounts may hereafter be submitted.

No. 55, Series 1904.]

MANILA, P. I., August 16, 1904.

Instruction in housekeeping.

Three years of instruction in housekeeping is prescribed for all girls in the intermediate course. A bulletin covering this work in detail is in preparation, and in order to secure the collaboration of teachers in its preparation, a provisional table of contents and copy of the introduction are included herewith for general information.

A blueprint of the model Filipino house is also inclosed. Where carpenter work has already been organized, the necessary furniture for this house should be built by the students in carpentry and plans for durable and artistic pieces of furniture are being prepared in this office and will shortly be supplied on request of the division superintendent.

It will probably be impossible for the bureau of education to assist in the expense of construction of these model houses or of their equipment and these expenses should be provided for by local funds.

CONTENTS OF BULLETIN.

- I. Introduction.
- II. The model Filipino house and its furniture.
- III. Notes on drainage and sanitation.
- IV. Household pests and their destruction.
- V. Care of the house, floors, lamps, beds, furniture, etc.
- VI. Simple recipes and menus.
- VII. Fruit preserves and jellies.
- VIII. The garden; treatment of front yard; flowers and ornamental trees and shrubs; the kitchen garden; mushroom culture.
- IX. Sick diet.
- X. The sick room and its furnishings.
- XI. Care and dressing of infants.

Instruction in housekeeping in intermediate schools.

Introduction.—Regular instruction in housekeeping for all girls in the intermediate course has been prescribed in the courses of instruction published as Bulletin No. 7 of this bureau. The plan contemplates instruction twice a week for the three years of the intermediate course, as follows:

In the first intermediate year (Grade IV) the young girls will be taught—
 (1) The care of a house and its surroundings, cleaning, ventilation, and sanitation; use of disinfectants and deodorizers; the destruction of household pests; the care of drains, sinks, and closets.
 (2) The tasteful furnishing and arrangement of a house, the sala or living room, the bedroom, the guest chamber, etc.; the use and care of bed linen, washing of linen, soaps, washing powders, ironing, starching, the preparation and care of table linen.
 (3) The setting and decoration of a dining table. Sewing should be pursued by the girls, both at school and at their homes and should have to do largely with the making of bed and table linen, the embroidery of doilies, table mats, and articles for use in the home.

In the second intermediate year (Grade V) the girls will be taught the cooking and serving of meals. The recipes and simple menus to be included in this bulletin are planned of materials that usually can be found in the market of any Filipino town. Where addition of foreign materials is made these are such as it is believed can be easily secured by importation and are of such nature as to distinctly benefit the people by improvement of their diet and standard of living.

To carry out this instruction the plan of the bureau contemplates the erection of a "model Filipino house" in connection with each school, either intermediate or secondary. This house should have a sala, bedroom, kitchen, bath, and closet. It should be suitably furnished and equipped with furniture, cooking utensils, china, glassware, and linen. In this building all the practical work should be done. A class of about twelve can be instructed by the teacher at one time. On another page will be found plans and designs for such a building.

Sufficient space should be allowed around the building for an artistic treatment of a small yard at the front and a kitchen garden at the rear, work to be done in connection with the gardening by the boys.

The remaining matter of this bulletin has been supplied by various teachers in this bureau and in nearly all cases the suggestions have received the test of actual experiment.

No. 56, Series 1904.]

MANILA, P. I., August 17, 1904.

Plans for barrio schoolhouses and grounds.

There is transmitted under separate cover to each division superintendent a suggested plan of barrio schoolhouse and grounds, which has been prepared by the architectural draftsman of this bureau. The plan contemplates a site of an acre or more on which may be planted trees and shrubs and which may also contain a school garden and ample playground. It is suggested that the side of the grounds facing the road upon which the school is located be planted with one species of trees, while the trees at the sides and rear of the land may be varied in character and be representative or typical of Philippine forestry and also of foreign trees advisable to introduce.

Attention is again invited to a previous circular urging upon division superintendents the advisability, at this time, of having suitable pieces of land deeded as permanent sites for schoolhouses.

There is inclosed with the plan of the barrio school and grounds a blueprint of the suggested plan for shops for wood and iron work in provincial high schools, and also a plan for school grounds and buildings for the Rizal Institute, the provincial school of Occidental Negros at Bacolod. This last plan may be of interest as showing a good arrangement of buildings and grounds for a provincial school.

No. 64, Series 1904.]

MANILA, P. I., September 13, 1904.

Organization of intermediate and secondary schools.

I.

Nomenclature.—Attention is called to the following system of nomenclature for classes indicated in Bulletin No. 7 of this bureau—the bulletin entitled "Courses of Instruction."

The six grades of work which constitute the primary and intermediate courses are to be uniformly designated by the Roman numerals I to VI, I being the lowest class, and each numeral representing a full school year of instruction. Classes approximately one-half year apart should be indicated as I-A, I-B, II-A, II-B, etc., A indicating the second half year of the work, B the first half. Classes whose size require a division into sections doing equivalent work should be indicated as I-1, I-2, II-1, etc.

II.

Difference between grades.—The limited number of teachers available in proportion to the work to be done requires that classes shall be kept one year and not one-half year apart. Further divisions should not be made except in cases of classes whose size necessitates dividing them into sections, independently of their comparative advancement.

III.

Allotment of time.—These schools will be organized and teachers assigned to them on the following time basis: The amount of daily instruction received by each class shall be no more than 220 minutes per day. This amount is to be divided into five periods of 40 minutes each and one of 20 minutes for music or physical-culture exercises. Inasmuch as 300 minutes of class work per day are required of each teacher, this requirement, taken in conjunction with the 220 minutes for each class, gives us a basis of 11/15 (200/300) of each teacher's time for one class, or 11 teachers for 15 classes. It is expected that this organization will relieve a number of teachers from work in the provincial schools and make them available for municipal and supervisory work. You are requested to report on this point.

IV.

Required membership for classes.—Twelve students is set as the required minimum for whole-year grades and 21 the required minimum for half-year grades. Classes should not be divided into sections except when the number of students belonging exceeds 42.

V.

Geography and civil government.—Attention is called to the fact that geography is not prescribed for Grade VI. Classes of this grade already at work in geography may so continue until the mid year, after which civil government should be substituted.

VI.

Plant study and hygiene.—Under conditions which do not permit the organization of work in housekeeping, gardening, etc., in the intermediate course during the current year (see pp. 12-13, Bulletin No. 7) plant studies or hygiene and human physiology may be given five times per week instead of three or other disposition be made of these two periods per week at the discretion of the principal of the school and with the approval of the division superintendent.

VII.

Plan for school year 1905-6.—Work should be conducted with a view to opening the school year of 1905-6 with even work in all grades. For example, a class which might be graded for the current year as III-A and IV-B should be conducted with a view to carrying Grade IV work throughout 1905-6.

A report is requested showing by pueblos the number of pupils in your division to be classified this year in Grades IV, V, and VI. This report should also indicate the number of pupils in your division now prepared to take up secondary work and a statement as to which, if any, of the secondary courses as outlined (Bulletin No. 7, p. 20) your provincial high school is prepared to offer.

No. 65, Series 1904.]

MANILA, P. I., September 14, 1904.

Corporal punishment.

Division superintendents are directed to advise their teachers that corporal punishment in the public schools can not be permitted except with the written permission and upon the request of both parents and guardians of the child.

In lieu of corporal punishment, when severe disciplinary punishment is necessary, a teacher may suspend a pupil for a period not to exceed one week, and shall in each case, where such action is taken, send notice through the presidente to the local school board.

In extreme cases when a pupil has frequently been corrected, and his influence is bad in the school, and his reformation seems hopeless, a teacher may suspend such pupil without limiting the suspension, but shall immediately in such case make report to the local school board as above directed, and shall, in addition, report his action to the division superintendent forwarding with such report a statement of the cause for which suspension is made. The division superintendent shall then fix the period during which the suspension shall remain in force.

When a definitive expulsion is thought necessary by the division superintendent, the case shall be forwarded to the general superintendent for review and direction.

EXHIBIT B.

REPORT OF THE SUPERINTENDENT OF FILIPINO STUDENTS IN THE UNITED STATES COVERING THE FILIPINO STUDENT MOVEMENT, FROM ITS INCEPTION TO JUNE 30, 1904.

SANTA BARBARA, CAL., *July 1, 1904.*

SIR: The plan of sending students from one country to another for education is an old one, and has been employed by many countries, especially by those having colonial possessions, as well as by others desirous of the wider progress of their own citizens. Most of such enterprises, however, have been upon a small scale, for never before has any reached the proportions of the Filipino student movement, and usually they are backed by private enterprise. The most recent and notable example of the latter case is that of the Cecil Rhodes scholarships. From time to time England has sent young Hindus from among the inhabitants of India to Europe, but with comparatively little success. It is claimed that the mistake made in these cases has been that the education gained has been either solely of a professional character or of a character tending to prepare the student solely for clerical labor of some sort. Such results, while valuable, should not be the sole aim, nor indeed the chief aim. There can be no question that a very important factor, I believe the most important factor, in the success of Japan in her advance along the highway of modern civilization, has been her whole-souled adoption and practice of foreign, chiefly American, ways of thought and action. These have been introduced mainly by her young men who have been educated in whole or in part in some great civilized country. Japan has even now representatives among the student bodies of virtually all of the leading American institutions of learning. She has gone further, and for education has had foreign instructors in her schools, work shops, and governmental offices. The world to-day stands amazed at the result.

Even greater results are to be expected from the Philippines. Not to mention the numberless enterprises of every character, scientific, administrative, and judicial, inaugurated and continued by the American Government in the Philippines, to acquaint oneself with the past accomplishments and present purposes of the American educational authorities in the Philippines, is to know of the most inspiring and unselfish governmental enterprise ever undertaken in behalf of one nation by the government of another. The plan to send students from the Philippines for education, even complete Americanization, to the United States, has been the purpose of the educational authorities since soon after the implantation of civil government in the archipelago by the Americans. It took definite form with the passage of Act No. 854 by the Philippine Commission on August 26, 1903.

The appointment of the undersigned as superintendent of the Filipino students in the United States was made upon August 28,

by Civil Governor Taft, and I entered forthwith upon the performance of the duties connected with the selection and embarkation of students for America. It was necessary to accomplish this selection as soon as possible, because of the lateness of the season and the approach of cold weather in the United States, as well as because of the fact that further delay would place the students at the disadvantage of entering their schools in America after the beginning of the term. To accomplish this, all correspondence relative to selection of students was carried on by telegraph, and in this way, and with the hearty cooperation of all the educational authorities, it was possible to embark for the United States on October 10 this first expedition, 100 strong, and the most numerous body of students that ever left one country for a full four years' course of education in another.

A resolution of the Commission fixed the number for the first year at 100 students, 75 of whom were to be appointed from throughout the archipelago under the following apportionment:

Abra.....	1	Ilocos Norte.....	3	Pampanga.....	2
Albay.....	2	Ilocos Sur.....	4	Pangasinan.....	4
Antique.....	1	Iloilo.....	5	Paragua.....	1
Laguna.....	2	Tarlac.....	3	Cebu.....	4
Capiz.....	2	Masbate.....	1	Zambales.....	1
Cavite.....	3	Bataan.....	1	Oriental Negros.....	2
Manila.....	5	Union.....	3	Cagayan.....	1
Sorsogon.....	2	Rizal.....	2	Surigao.....	1
Batangas.....	3	Tayabas.....	2	Nueva Ecija.....	2
Isabela.....	1	Camarines.....	2	Bohol.....	1
Leyte.....	2	Occidental Negros.....	3	Bulacan.....	3

This apportionment was based roughly upon the school population and the importance in industrial lines of the respective provinces.

For the purpose of selecting the students in the various provinces the provincial governor and the division superintendent of schools were instructed to propose candidates for appointment, under the conditions mentioned in the telegram hereinafter quoted. With very few exceptions the provincial governors are Filipinos, the exceptions being Americans. The division superintendents of schools are all Americans. These two officials of course possessed a complete knowledge of local conditions, the governor being acquainted with the character and social standing of the individual applicants, while the division superintendent, personally and through his teachers, had a complete knowledge of the educational qualifications of the students. The concurrence of both of these officials was necessary, and they were guided wholly by the terms of the following telegram, which was sent to each of the provincial governors:

[Telegram.]

After conference with the division superintendent of schools, select for appointment as students in the United States at the expense of the government, — Filipino students of the public schools between 16 and 21 years of age. Each candidate is subject to examination in Manila, and in case of rejection his expenses to Manila and return home will be paid by government. Each student must be of unquestionable moral and physical qualifications, weight being given to social status. He must be well advanced in English, mathematics, history, geography, and of exceptional general intelligence. We must have the best boys in your province. Appointees must sign agreement to conform to reasonable regulations and to enter the Philippines civil service upon return to islands for a period equal to that spent in the United States at government expense. Every qualification mentioned is imperative. Expenses of appointees will be paid by the government after embarkation at Manila for the United States. Telegraph selections immediately in the

name of yourself and division superintendent, and hold candidates in readiness to proceed at once, upon telegraphic orders, to Manila and the United States. Certify immediately this telegram to division superintendent of schools. Prompt action is desired.

TAFT, *Civil Governor*.

Practically all of these provinces held competitive examinations, and those students securing the highest averages, who presented the other qualifications necessary, were certified to the civil governor by the officials named. Upon these certifications the appointments of the 75 students were made, and they were directed to proceed to Manila in season to embark.

The other 25 of the first hundred were chosen from a large number of applicants, and were proposed after examination by a committee composed of Dr. T. H. Pardo de Tavera, Philippine Commissioner; Hon. A. W. Fergusson, executive secretary, and the superintendent of the Filipino students. This selection was made without reference to attendance upon public schools, as was necessary in the case of the 75. Natural ability, together with special mental and physical fitness and promise, moral character, and general availability, determined the selection. The following provinces are represented in these 25: Cebu, 1; Ilocos Norte, 1; Laguna, 2; Batangas, 1; Cavite, 1; Iloilo, 1; and the city of Manila, 18.

Every student before appointment was required to sign the agreement referred to in the telegram above cited, as well as to undergo a thorough physical examination. For those students who were in need of the same, clothing suitable for the voyage and two heavy blue flannel army shirts were provided at government expense before leaving Manila, and in Hongkong two suits of exceedingly heavy woolen underclothing were bought for each student. It is sure that no student suffered for lack of warm clothing.

The inhabitants of the Philippines appreciated, as they have no other undertaking by the government in their behalf, the sending of these students to America, and the greatest enthusiasm was aroused throughout the islands. Numberless pleasing attentions in the nature of farewell entertainments were showered upon them before leaving their home towns and also after reaching Manila. A special operatic performance was given in their honor at the largest theater in Manila by a native troupe, and a great rally was held upon the morning of their departure at the headquarters of the Federal party, at which addresses were delivered by Governor Taft, Commissioners Smith and Tavera, and prominent Filipinos. The students were accompanied to the wharf by half a dozen brass bands, numerous civic organizations, and thousands of citizens and pupils from the various schools.

The students were embarked on the *Rohilla Maru*, all her accommodations having been reserved for them, and reached Hongkong in due season. Very few students were allowed to land at Hongkong, because of the shortness of the time spent there. The next day at noon transfer was made to the steamship *Korea*, of the Pacific Mail Company, upon which first-class reservations had been made for the entire party. Successively, one day was spent at Shanghai, one day at Nagasaki, two days at Kobe, two days at Yokohama, and one and a half days at Honolulu. Entire freedom was allowed the students for sightseeing at all these ports, and they availed themselves of the privileges to the utmost, for it was the regular programme upon reaching a port to secure 'rickshas, carriages, and

other conveyances, and to scatter to the four winds. No indiscretions of any sort were reported during these stops, nor indeed at any time during the voyage. The month on board was productive of much entertainment and considerable benefit to all the students. The chief occupation between ports was letter writing (I mailed over a thousand letters for the students before reaching San Francisco), and every kind of ship's games (for which the splendid ship furnishes the most ample facilities) and music were enjoyed. Some studying was done, and much instruction and advice was given by the superintendent relative to the matters of personal conduct at and away from the table, and what was to be reasonably expected from them upon landing and during their stay in America. The students were given military drill once or twice a day in good weather during the voyage. This proved to be of considerable physical benefit and it was certainly of material assistance in handling this body of youths, bewildered and confused by the hurry and bustle of a large American city for the first time, upon their arrival at San Francisco. By this drill the moving from the wharf to the custom-house, to the stores, about town, and to the railway station was made comparatively easy. It is pleasant to record in passing that the only comment from passengers and ship officers alike throughout the voyage concerning the conduct and bearing of the Filipino students was to the effect that they were thoroughly well-bred, gentlemanly young men, and surprisingly bright and well behaved.

Prior to the students' departure from the Philippines Governor Taft had cabled ex-Philippine Commissioner Moses at Berkeley requesting that he communicate with the county superintendents of schools in the seven southern counties of California, with a view to placing the students in their schools during the first winter. With the meager details possible to be communicated by cable complete arrangements were of course impossible, but a great deal of confusion and considerable delay were avoided by the arrangements made through Professor Moses.

Sufficient stop only was made in San Francisco to procure a complete outfit of suitable clothing for the students, and on November 11 the entire party left for southern California in special cars. The students were distributed from Los Angeles on the 12th and 13th of November and were located as follows: At Santa Barbara, 7 students; at Ventura, 6; at Ilueneme, 4; at Santa Paula, 4; at Claremont, in the public schools, 4, and in the Pomona College, 8; at San Diego, in the high school, 5, and in the State Normal School, 9; in National City, 5; at Compton, 4; at Whittier, 6; at Redlands, 6; at Riverside, 16. Two students already in the United States at the time of their appointment were located, 1 at Berkeley, Cal., and 1 at Ann Arbor, Mich.

Several reasons induced me to bring them to southern California at that time, the climate of course furnishing the most potent. The schools of California are of a superior grade, and they were freely offered for our purposes. Half tuition was granted at Pomona College, no tuition being paid elsewhere. A warm and hospitable reception was awaiting the students in the homes of the people of the communities where they were placed, and they will be in every respect better fitted for a change to a different climate and entrance into new schools next fall. Again, it made possible a visit by the

students to the Louisiana Purchase Exposition at St. Louis at no additional cost above the regular allowance made to the students by the government. This visit has been arranged for, and departure for St. Louis will be made August 1.

The health of the students has been good—far beyond expectation—since leaving the Philippines, an average expenditure of only \$2.50 per student having been necessary during the time covered by this report. This good showing is of course due mainly to the equable climate which they have experienced, though the care, in the first place, with which they were selected, from a physical standpoint, should not be overlooked. At each of my periodical visits to the students I have noted an increasing improvement in their physical condition, without a single exception. There is not a boy among them who has not gained considerably in weight, and many of them in height as well. Not a serious case of sickness has as yet befallen any student. Several accidents have occurred, however, one student having broken his arm by a fall in alighting from a street car, while another suffered a similar accident while attempting, after dark, to learn to ride a bicycle. Some dentistry work has also become necessary.

In accordance with my recommendation, made and repeated in former reports, the Commission has seen fit generously to provide in Act 1133, amendatory to Act 854, that the necessary expenses of medical attendance upon the Filipino students shall be paid in addition to, and not deducted from, the regular annual allowance of \$500 for each student. The importance of this measure is seen from the case of a young Filipino student who is being educated in the United States under my care at the expense of Judge William H. Pope, of the supreme court of New Mexico, formerly a judge of first instance in the Philippines. This student, Roman Valenteros, fell sick with typhoid fever, and though it proved a comparatively light case the expenses of his illness reached more than \$300.

During the period covered by this report (from October 10, 1903, to June 30, 1904) the students have expended for education and maintenance an average sum, approximately, of \$295 each. This shows an average saving of \$65 each. Of course some of the students have spent considerably more than the sum stated as an average, though only one of the hundred students has exceeded the \$360.60 which would have been the proportionate amount with \$500 per annum as the basis. Again, some of the students have spent considerably less than their allowance, the one who has spent less having saved somewhat over a hundred dollars in the period specified. In authorizing expenditures I have exercised the utmost care, and a truly commendable spirit of economy has been shown by nearly all the students during this first year, with a special view to enabling the students to visit the Louisiana Purchase Exposition without requiring any further appropriation than that of their regular annual allowance. These efforts have been successful, and full arrangements have been made through the cooperation of the chief of the bureau of insular affairs and the Philippine exposition authorities. Arrangements have been made so that this visit will become possible and no further expenditure occasioned than that permissible under the regular allowance for education and maintenance. Six weeks, approximately, will be spent at St. Louis by all of the students.

During the stay of the students in the towns of southern California, I have made numerous visits to each of the towns where they were located. These visits were made at intervals of about a month, and investigation was made at each one of the progress, welfare, health, and general condition of each of the students, and their expenses paid. For convenience, but at the cost of great labor to me, the business of disbursing the funds of the students has been added to my duties during the present year. Interviews were held with the teachers and principals of their schools, with the families in whose homes they boarded, and with townspeople in general regarding student matters. After investigation some few changes in boarding places and in schools were made, but changes of every sort were discouraged where sufficient reason was not seen for such changes. No student was changed from one town to another during the year.

At Santa Barbara three students attended grammar schools, two completing the eighth and one the seventh grades. The other four in this town attended the high school, being classified in the first year. Five of the students located at Ventura completed the grammar school course this year and were given their certificates, the other one at this place completing the sixth grade. Three students at Hueneme completed the grammar school, and the other the sixth grade. At Santa Paula two students were graduated from the grammar school with certificates, and the other two finished the first year of the high school. At Whittier the six students completed the first year of the high school, while the four students at Compton were graduated from the high school with diplomas. Four students at Claremont completed the grammar school course and were given their certificates this year, completing in eight months two full grades. Eight students were placed in Claremont at Pomona College, the larger number of their studies being in the collegiate department. At Redlands four of the six completed the grammar school with certificates, the other two finishing the sixth grade, several of the students taking two grades in less than one full year. The entire number of students at Riverside took the first year of the high school and completed the same. In Santa Ana six students were in the high school, and eight in the seventh and eighth grades of the grammar school. All of the fourteen were promoted at the end of the year. Nine students were in attendance at the State normal school, located at San Diego, while four attended the high school in the same city. The five students at National City completed the first year of the high school this year.

In every town students have been given private instruction. In some cases this special tuition has been paid for, but in the majority of cases it has been furnished by the regular teachers outside of school hours, and solely on account of the personal interest felt by the teachers in the students. Not one of the hundred students comprising the first expedition to the United States failed of promotion at the close of the first year, and many were promoted during the year as well. This is an exceedingly gratifying report to make, and shows a commendable spirit of industry and a seriousness of purpose quite beyond what one would have expected. The students were handicapped by a lack of precise knowledge of English, by the loss of one or two months at the beginning of the year, and generally by the entire newness of their surroundings. But despite these drawbacks they entered

upon their work immediately with diligence and kept it up throughout the year with perseverance; and the record they have made is certainly one of credit to themselves and to their race. They have kept pace nearly always on equal terms with, and often a little ahead of, their American schoolmates, and not only in studiousness and seriousness are they often cited to their American companions as desirable examples, but many teachers have stated to me that they have been a very noticeable influence for gentleness, courtesy, and neatness upon their American fellow students. Not the least of the many beneficial results of this Filipino student movement has been this effect upon the American students and others with whom they have associated. It has amounted in many cases to a conversion from prejudice and antagonism to real friendship for and interest in the Filipino people and their government.

It would be too much to say that there has been no instance of any unfavorable treatment of my charges, nor was entire immunity expected. There were of course some few narrow ones to make them believe that they were unwelcome in the community. But while these few instances have of course been painful, no single case has been serious enough to demand any formal notice. On the other hand, it has been surprising to see in every town in which students were located how kindly has been the feeling displayed by the school bodies, the teaching force, and the townspeople of the better class in general. That the students have always acted so as to merit the treatment of gentlemen has of course contributed largely to their sympathetic reception. The most that could be asked would be that no more race or other prejudice be shown them during their stay in America than has been experienced so far.

They have been received into the best families and into the best social circles in practically all of the towns in which they have been located. Indeed, it has been necessary in several cases for me to request the students to abstain from accepting invitations to social functions except on Friday evenings and Saturdays. Of course there is danger in too much social attention, but in reason their social life is quite as important as any other. It is interesting to note that at a number of places the students have taken part, always in English, in public entertainments connected for the most part with their schools. One student made an interesting address before his County Teachers' Institute on the life and death of Dr. Jose Rizal. After reading what he had prepared, having still further ideas to advance, he continued *ex tempore* for some six or eight minutes on the same theme. Another whom I considered as backward as any in his English when we left Manila, delivered before a teachers' institute with expression and clearness Lincoln's address on the Gettysburg battlefield, which the student had begun to memorize three days previous. Another student took the leading part in a two-act play at the close of the school year, and in my opinion his performance was much more creditable than that of any other of the participants, by reason of his self-possession and grace. On the night of December 30, 1903, the sixteen students located at Riverside entertained their friends with a programme rendered in Spanish and in English, commemorative of Doctor Rizal. All were obliged to take part, and some of their addresses were printed in full and received favorable mention in the press. At several of the towns the students have been depended

upon to fill out musical numbers on many a school programme. Many of the students at various localities joined the school literary organizations, and at some of the towns the Filipinos themselves organized literary societies in which all exercises were carried on in English, and a fine imposed upon any one using any other language. While of course nothing of any great brilliancy, either in a literary or in a musical line, has been produced by the students, the general average of their performances in such matters has been really high in merit, and interesting to the audience. Naturally the fact of their being Filipinos has added considerably to the popular interest in their efforts.

The schools of southern California have in many ways proven of exceptional adaptability to the Filipino student's needs. Many of the schools, especially high schools, in southern California have new buildings and the latest equipment in all departments, while the teaching force of all the schools, whether in small or large towns, is of a standard scarcely excelled in any other State. There are many Spanish speaking people, Mexicans, in this region, remnants of Mexican domination, or immigrants from our neighboring Republic. Many of these have attended the same schools with the Filipinos, and the Filipino is in many respects more like the Mexican than he is like any other race I know of. The sectional or race issues are unknown, and the typical western hospitality has been extended to the visitors. It is much to the credit of this people's generosity that in every town almost the students were received, not only as visitors, but as boarders into the families of the best people. These families of course took them greatly on faith, for they knew not whether a student would require so-called civilized food or whether he was used to association with people of gentle not to say unsavage habits. Moreover, the impression before the students came was that they were "children"—that is to say, between the ages of 12 and 16. Again, they were not supposed to know any English to speak of, nor to possess any appreciable number of cleanly habits. Had these impressions proven true ones the entertainment of the students would have been a matter of serious concern and of no little inconvenience to any family taking them.

I feel heavily indebted to the seven county superintendents of schools of southern California for their vouching for the students with nothing but their own kindly natures to guide them, and for many other efforts and influences expended in their behalf, prior and subsequent to their coming. There was no lack of homes when the students arrived; and to their credit I may add that I have had numerous applications from every town in which students have been located since it was known that more students will come from year to year. Whether others will be brought to southern California to spend a part of their stay in the United States remains for future conditions to determine. But it is very pleasing to feel that should this become desirable the students will be received in this section with hospitality and helpfulness.

One student said to me the other day, "Mr. Sutherland, I feel now two homesicknesses—one for Riverside and one for my native town."

The selection of permanent schools, that is, schools for the students to attend during the remainder of their stay in America, has been a matter of serious study and careful investigation. Before my appointment as superintendent, and several months before the passage of Act

854, providing for the education of Filipino students in America, I took it upon myself to enter into correspondence from Manila with nearly a hundred different institutions of learning throughout the United States. The conditions upon which Filipino students would be admitted, the terms for tuition, board, books, and general expenses, the scope of the curricula, and the adaptability of the schools for the purposes sought, were all accurately determined and later carefully condensed. Naturally in this matter was determined also, almost unconsciously, the spirit with which these students would be received by the faculties and school authorities, and by reflection also the manner in which the members of the student bodies of the respective schools would receive the Filipinos. Our fears regarding those schools in States where a large part of the population is composed of negroes, I am sorry to record, were found justified. Not the school but the sentiment is at fault. And while for reasons of climate, system of education, and other cogent ones, this section should have been the one logically to receive the students in their major part, in order to avoid all possibility of unpleasantness or mistreatment, no students are to be placed at any point where they will be thus exposed. Furthermore, with this first expedition the section in which they were to be placed was reduced to that east of St. Louis. This was due to my desire to have the students avail themselves of the splendid opportunities to visit the Louisiana Purchase Exposition en route eastward. So that, avoiding the cold as far as possible of the extreme northern portion, the States in which most of the students will be placed are those of Massachusetts, Connecticut, New York, Pennsylvania, Ohio, Illinois, Indiana, Michigan; a few in Maryland, West Virginia, Tennessee, and Missouri.

For the purpose of visiting the schools in which students could be satisfactorily placed, I made a personal visit to the States mentioned, as well as to a number of others. In order not to be without communication with the Filipino students any longer than was absolutely necessary, I made this visit as quickly as practicable, and while I was away from May 4 until June 7, no two nights were passed in the same town except while consulting the department officials at Washington, where I spent two nights. One day going and one day coming I spent at St. Louis looking into the conditions upon which the students could make their visit to the World's Fair, and another day was spent in consultation with Dr. E. B. Bryan, of the University of Indiana, formerly general superintendent of education in the Philippines. The assistance so secured was of great benefit to me, particularly in the selection of those normal schools of the highest grade for the students desiring to become teachers. Upon leaving Washington I visited Philadelphia and secured admission for four students into the Pennsylvania School of Industrial Art. I have recommended that the two students who were originally appointed mainly for their natural and phenomenal talent in art be placed here, together with one who desires architecture, and another, lithography. The State Normal and Training School at West Chester, Pa., was visited next, and recommendations have been made for four students to be located here, with two more, should it become desirable later. A great number of Cuban teachers have attended this institution from time to time, so many, in fact, finding the school so appropriate for their own and their country's needs, that too many applications were received,

and their number has been necessarily restricted. The State Normal and Training School at Trenton, N. J., agreed to take four or six students, and I have recommended that they be placed at this school. This school and the one preceding have exceptionally fine equipment in all departments, and give strong courses in manual training, which is considered so important in the education of the Filipino.

Some of the students not having decided upon any definite course to follow, and desirous of taking another year of work in English and in general branches before specializing, I had to select certain high schools and preparatory schools for this class. The first one selected was the high school at Meriden, Conn., and here I have recommended that four students be placed. After thorough consultation with Dr. Henry S. Pritchett, president of the Massachusetts Institute of Technology, four scholarships were offered to Filipino students in this institution. Three engineering students were recommended. The next school selected was the State normal at Oswego, N. Y., and four or six students will be located here. Every branch is well equipped, especially the manual training. Cornell University, through its president, Dr. J. G. Schurman, offered four scholarships, and the four best prepared students for engineering courses were recommended for Cornell. Four other students were recommended to be placed at the Ithaca High School, some of whom are desirous of taking the splendid commercial course offered here. Having to pass through Pittsburg, I stopped off and visited the director of the Carnegie School of Technology, Mr. A. A. Hamerschlag, formerly of the New York Trade School. When it shall be completed, I believe that possibly no school in the United States will offer so nearly just the sort of education that the Filipino student and his country need. Courses varying in length from six months to several years, in every occupation and every trade of an industrial character, will be given, under the best and most practical specialists that can be secured. The enormous amount of funds for disposal in this work, as well as the location of the institute at Pittsburg, will make it possible to provide opportunities quite unparalleled elsewhere. When this school is completed I shall make an effort to secure for it a large number of Filipino students, government and private. The next school selected was the high school at Cumberland, Md., for which school four students not desiring special courses at present were recommended. Then the high school at Parkersburg, W. Va., was recommended for four more. Three students desirous of commercial courses were recommended for the commercial college of the Kentucky University at Lexington, Ky. The high school at Chattanooga, Tenn., besides offering the ordinary high school courses, is the only high school in the country providing a complete course in meteorology, and I have recommended that four students be placed here. This recommendation may be varied later. The University of Tennessee, at Knoxville, offers the best opportunity for those students who not being prepared for regular university work are still desirous of taking a law course in the United States. A two years' law course is offered here with the privilege of taking enough other work to complete the high school course which is requisite for graduation, at the same time as pursuing the professional course. The Filipino students, having three more full years, should be able, I think, to complete this course acceptably. So I have recom-

mended five students for the law department of this institution. Being the southernmost school in which I feel safe in locating my charges, those students who desire to take an agricultural course have also been recommended for this place. They are two, and probably two more will be added. One student has also been recommended for the department of education, which contains special agricultural features not found elsewhere. Dr. Charles W. Dabney, for many years president of this university, this year called to the University of Cincinnati, assured me that no unfavorable sentiment exists among the students here, and I can well believe it from investigation and from the many years' propaganda in behalf of a reasonable view of the race problem carried on by Doctor Dabney, and reflected by the popular sentiment of the university.

The preparatory technical school of the University of Cincinnati furnishes especially appropriate opportunities for the grade of work required by a large number of the 1903 Filipino students. That is, they desire a technical course in engineering branches, and are yet not prepared for university engineering work. It would be a grave disappointment should they have to spend their whole stay in America in getting prepared to begin the work they came over here to do. But fortunately there are an increasing number of schools that meet their needs; manual training and technical, high and preparatory schools. After a three years' course in such a school, with whatever suitable work can be covered during the summer, the student should be prepared to enter, upon his return to the Philippines, into work of an engineering character that would, in the course of a few years' experience, fit him for most of the problems that will present themselves for his solution in the development of his country. Such a school is the one last mentioned, and I have recommended six students for it. Four students were recommended for the grammar and high schools at Lima, Ohio; these students not having decided upon special courses. Four students were recommended for the academic or preparatory department of Oberlin College, at Oberlin, Ohio. One student is recommended for the engineering course at Michigan University, Ann Arbor, Mich. Four or six students can be located at the State Normal School, Dekalb, Ill., and I have so recommended. A like number have been recommended for the parent institution, the State Normal University at Normal, near Bloomington, Ill. These two schools are particularly strong in manual training work. Purdue University, one of our best technical schools, was visited, and generously offered me four scholarships, but through lack of preparation of the students none was recommended for this institution.

The Manual Training High School at Louisville, Ky., was visited and application made for the admission of four engineering students, since the school quite meets their requirements. Four students were recommended for this institution, but I have since seen in the press dispatches (though I have not been directly informed) that the State board refused to admit them. These students will of course be located elsewhere. Three students were recommended for the law department of the University of Indiana, and, being of the more advanced students, will probably complete the law course in the three years remaining to them. Six students desirous of taking

a medical course have been recommended for the University of Missouri at Columbia, which institution affords facilities in this department peculiarly adapted to individual instruction and attention. This will certainly be of great value in the case of the Filipino students.

During the time intervening between the date of this report and that of the opening of the schools further consideration will be given the subject, and with the authority of the chief of the bureau of insular affairs, to whom authority for definite action has been confided by the civil governor, certain variations in the matter of students and schools will possibly be made. These changes, if any, will be reported promptly.

The close of this report leaves the hundred students at the charming city of Santa Barbara, busily engaged in attending a summer school and enjoying their reunion after the year's work. It was necessary to congregate the students in one place prior to their departure for the East, and so they were brought here during the closing days of the month of June. Four teachers especially strong in their particular branches have been employed and classes are held during the forenoon only, instruction being given in English in five classes; in algebra, four classes; in history, civics, and geometry, two classes each; in arithmetic and trigonometry, one class each; and in vocal music one class, which all attend. The afternoon is left for recreation and the evenings are spent in great part in literary and musical entertainments, such as debates, addresses and the like. The students have formed baseball, tennis, basketball, and "sipa" games, and compete with town teams and among each other. They have also a large orchestra and a chorus which includes the hundred voices, as well as special quartets, etc. Further report will be made opportunely of this summer school.

Except in that part referring to the months of April, May, and June, this report embodies the record of the student movement since its beginning. No special report will be made for the said months of April, May, and June, this report being presented in lieu of the third quarterly report as required by law.

Viewing from every standpoint the progress of the Filipino student movement from its inception to date, we feel that the Government can not but be congratulated upon its splendid work, and the success, so far, of this enterprise. The students have proven themselves well-bred gentlemen, fit representatives of a race aspiring to national and individual advancement; their health has been almost perfect and they are improving physically in stature and in strength; they have lived considerably within their allowances, so much so as to make possible a month of summer school and a six weeks' visit to the World's Fair. The good influence of people of strong character and upright morals has become increasingly noticeable, and the seriousness, intelligence, and patriotic ambition of the Filipino students give promise to-day of a brighter future for their race and a record of honor for their protectors, the American people.

Respectfully,

WM. ALEX SUTHERLAND,
Superintendent Filipino Students.

HON. JAMES F. SMITH,
Secretary of Public Instruction, Philippine Islands.

EXHIBIT C.

REPORT OF THE CHIEF OF THE BUREAU OF ARCHITECTURE AND CONSTRUCTION OF PUBLIC BUILDINGS FOR THE FISCAL YEAR JULY 1, 1903, TO JUNE 30, 1904.

MANILA, P. I., *September 15, 1904.*

HON. JAMES F. SMITH,

Secretary of Public Instruction, Manila, P. I.

SIR: In compliance with instructions conveyed in your communication dated July 27, 1904, I have the honor to submit the following report on the operations of this bureau for the fiscal year ending June 30, 1904:

The personnel of the bureau has, until the passage of Act No. 1049, remained the same as the previous year. Act No. 1049 provided for one additional clerk, class 9, who was assigned to duty as bookkeeper. The personnel on the last day of the fiscal year was as follows:

Chief of bureau; 1 master builder; 1 superintendent of construction, class 6; 1 electrical engineer, class 6; 1 disbursing officer, class 6; 1 clerk, class 7; 1 draftsman, class 7; 2 draftsmen, class 8; 1 mechanical engineer, class 8; 2 clerks, class 8; 1 clerk, class 9; 2 stenographers, class 9; 1 storekeeper, class 9; 2 junior draftsmen, class F; 2 junior draftsmen, class G; 1 clerk, class I; 1 employee at \$210, and 1 employee at \$150.

There have been the usual number of transfers, separations, and promotions.

The volume of work handled directly by the bureau has increased so as to require, during most of the year, the services of 4 American foremen, 1 Spanish foreman, and skilled and unskilled laborers averaging 650 per month. It is still found necessary to employ Japanese or Chinese carpenters and masons for all of the finer parts of the work, but, nevertheless, it has been found that the native "capataz" or foreman of 10 or 12 workmen has demonstrated in many instances intelligence, regularity, and interest in his work. The master builder has instructed these men in proper methods of building construction, and it is believed his work on these lines is beginning to show good results. The native still continues to hold a superior position on all points touching interior decorations with paint and brush.

With the largely increased working force of labor very much more has been accomplished than during the preceding year. This refers to work done directly by the bureau. With the exception of the new laboratory, this has consisted of a multitude of repairs and alterations to existing buildings, as well as a number of new buildings of minor importance.

The drafting-room records show that the number of jobs for which drawings were made was 111, necessitating 411 sheets of drawings and a like number of tracings, from which 1,350 sheets of blueprints were made. By far the larger part of the year's work, however, consisted of jobs for which no drawings were required.

The following comparative figures show the amounts of the various kinds of material mentioned used during the fiscal years 1903 and 1904, the same proportion of increase being true of the great variety of other supplies and materials used during the periods specified:

Description of item.	1903.	1904.
Property invoiced to the bureau by the insular purchasing agent on vouchers (representing the value of ₱ 166,500.86 in 1903 and ₱ 374,530.26 in 1904) . . .	382	329
Cement expended on the various jobs barrels . . .	3,189	4,629
Window glass panes . . .	2,164	7,595
Corrugated iron sheets . . .	1,302	4,615
Flat galvanized iron do . . .	667	4,372
Locks of various descriptions and sizes do . . .	445	650
Oregon pine and California redwood board feet . . .	635,940	1,079,438
Nails pounds . . .	18,172.5	48,660
Paint:		
Gallons	748	1,007.5
Pounds	14,341	23,321
Cast-iron pipe linear feet . . .	4,365	6,890
Galvanized-iron pipe do . . .	4,265	32,949
Wood screws dozen . . .	1,577	2,644
Solder pounds . . .	878	1,966.5
Turpentine gallons . . .	62	500.75
Varnish do . . .	65	245

The foregoing represent only a few of the 800 varieties of building materials carried on the property books of this bureau. All these materials, except the lumber, were issued from the bureau's storehouse or from the Nozaleda yard, on about 3,000 separate orders, and was all used in work done directly by the bureau. The majority of the lumber used was delivered directly by the insular purchasing agent from his own yard to the various jobs, the practice being to make out a blanket requisition of about 200,000 feet for delivery as needed.

The office equipment has been increased by the addition of an excellent photographing outfit, which has been of the greatest value. Accurate records of the progress of work can thus be obtained and valuable details of construction preserved.

The government has been put to no expense in this regard beyond the cost of plates, paper, and chemicals, as excellent results have been obtained by one of the bureau clerks skilled in the art, who, in addition to his regular duties, takes charge of this branch of the work.

BUREAU OF GOVERNMENT LABORATORIES.

Photographs of the new laboratory for the bureau of government laboratories are attached hereto, showing the character of its construction and stage of completion on the various dates mentioned. A description of this building was outlined in the first annual report and the same has been closely followed in its construction. With the exception of the machinery equipment, the building is practically complete. Floor plans of the building as actually constructed are herewith presented, together with photographs of some of the interior desks and fittings.

The style of construction adopted being in the way of an innovation in Manila, the work has progressed very slowly, none of the masons

ever having before worked in three coats of plastering. It took months of instruction to get the men used to running the plaster to lines that were plumb and true, as well as to instruct them how to work to the plaster screeds. Both the exterior and interior are plastered with three coats of lime and cement mortar, which had to be shielded from the direct sunlight for many months to prevent undue cracking of the mortar.

In addition to the slow progress of the plastering work, as mentioned above, were delays incident to the delivery of building material ordered from the United States—the metal lath, for instance, which took over ten months to deliver after the order was placed. Delays of this kind, however, in Manila must be expected for some time to come on buildings involving such an amount of imported material.

It might be interesting to state that although the materials entering into the construction of the building are plain and without much variety, yet they came from widely different points. The cement came from Macao, China, and from Japan; the timber from Australia; the gas machine from Madras, India; the fire brick from Shanghai, China; the metal lath from New York; the circular stairs from Singapore; certain of the finishing woods of the interior from Oregon and California, and all of the machinery equipment from various parts of the Eastern States.

The working desks for both the biological and chemical divisions are somewhat of a modification from the usual design and are pronounced by the superintendent of government laboratories as especially well adapted to laboratory needs. Photographs of the drawings from which these desks were built are attached hereto, together with photographs of the completed desks.

The hoods are built on the same general plan as the desks, so far as the construction applies.

The general library room is fitted with patent metallic book-shelf standards, with adjustable shelves of wood.

The greater part of the woodwork was worked out by hand. The columns forming a part of the interior finish were built up and turned in a crude lathe built on the premises. All of the exterior moldings were run by hand. Attempts were made several times to contract for those parts of the finish as are usually mill-worked, but after one or two such trials, in which the work had to be done all over again by hand, it was decided to get out all the remaining finish with hand labor at the job.

The cast cement ornaments on exterior were made from forms carved on the premises. The entire building, in fact, has been constructed by hand labor of the bureau's skilled workmen, with the exception of the sash and window frames, circular iron staircases, and iron frames for desks and hoods, for which items contracts were entered into.

Experience derived from building the laboratory demonstrates the absolute necessity for a small plant fitted with a few woodworking machine tools, with power to run them, and a large general workshop. A fully equipped mill is not desired, as the character and design of new buildings will not usually entail the use of elaborate machinery.

Numerous repairs have been made from time to time to the premises on Calle Alix, rented for the use of the biological laboratory, and to the buildings on Calle Iris used by the chemical laboratory. Num-

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Locks of various descriptions and sizes	445	690
Oregon pine and California redwood board feet . . .	635,940	1,079,438
Nails pounds	18,172.5	48,660
Paint:		
Gallons	748	1,007.5
Pounds	14,341	23,321
Cast-iron pipe linear feet	4,365	6,890
Galvanized-iron pipe do	4,265	32,949
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The office equipment has been increased by the addition of an excellent photographing outfit, which has been of the greatest value. Accurate records of the progress of work can thus be obtained and valuable details of construction preserved.

The government has been put to no expense in this regard beyond the cost of plates, paper, and chemicals, as excellent results have been obtained by one of the bureau clerks skilled in the art, who, in addition to his regular duties, takes charge of this branch of the work.

BUREAU OF GOVERNMENT LABORATORIES.

Photographs of the new laboratory for the bureau of government laboratories are attached hereto, showing the character of its construction and stage of completion on the various dates mentioned. A description of this building was outlined in the first annual report and the same has been closely followed in its construction. With the exception of the machinery equipment, the building is practically complete. Floor plans of the building as actually constructed are herewith presented, together with photographs of some of the interior desks and fittings.

The style of construction adopted being in the way of an innovation in Manila, the work has progressed very slowly, none of the masons

ever having before worked in three coats of plastering. It took months of instruction to get the men used to running the plaster to lines that were plumb and true, as well as to instruct them how to work to the plaster screeds. Both the exterior and interior are plastered with three coats of lime and cement mortar, which had to be shielded from the direct sunlight for many months to prevent undue cracking of the mortar.

In addition to the slow progress of the plastering work, as mentioned above, were delays incident to the delivery of building material ordered from the United States—the metal lath, for instance, which took over ten months to deliver after the order was placed. Delays of this kind, however, in Manila must be expected for some time to come on buildings involving such an amount of imported material.

It might be interesting to state that although the materials entering into the construction of the building are plain and without much variety, yet they came from widely different points. The cement came from Macao, China, and from Japan; the timber from Australia; the gas machine from Madras, India; the fire brick from Shanghai, China; the metal lath from New York; the circular stairs from Singapore; certain of the finishing woods of the interior from Oregon and California, and all of the machinery equipment from various parts of the Eastern States.

The working desks for both the biological and chemical divisions are somewhat of a modification from the usual design and are pronounced by the superintendent of government laboratories as especially well adapted to laboratory needs. Photographs of the drawings from which these desks were built are attached hereto, together with photographs of the completed desks.

The hoods are built on the same general plan as the desks, so far as the construction applies.

The general library room is fitted with patent metallic book-shelf standards, with adjustable shelves of wood.

The greater part of the woodwork was worked out by hand. The columns forming a part of the interior finish were built up and turned in a crude lathe built on the premises. All of the exterior moldings were run by hand. Attempts were made several times to contract for those parts of the finish as are usually mill-worked, but after one or two such trials, in which the work had to be done all over again by hand, it was decided to get out all the remaining finish with hand labor at the job.

The cast cement ornaments on exterior were made from forms carved on the premises. The entire building, in fact, has been constructed by hand labor of the bureau's skilled workmen, with the exception of the sash and window frames, circular iron staircases, and iron frames for desks and hoods, for which items contracts were entered into.

Experience derived from building the laboratory demonstrates the absolute necessity for a small plant fitted with a few woodworking machine tools, with power to run them, and a large general workshop. A fully equipped mill is not desired, as the character and design of new buildings will not usually entail the use of elaborate machinery.

Numerous repairs have been made from time to time to the premises on Calle Alix, rented for the use of the biological laboratory, and to the buildings on Calle Iris used by the chemical laboratory. Num-

erous repairs and minor structures for housing small animals have also been made for the serum laboratory at San Lazaro.

BOARD OF HEALTH.

A crematory has been constructed adjoining the morgue built last year, plans and photographs of which are attached hereto. The stack is of sufficient capacity to admit of the construction of another unit if the same shall become necessary.

A contract has been let for new water mains from the storage tanks to the men's and women's toilet rooms in the leper hospital. Branch connections are provided for fire hose. New range closets with large flushing tanks have been provided, and the whole system connected to new concrete cesspools provided with overflow septic tank draining into the adjoining estero. A new cesspool and septic tank has also been built to receive the soil and waste lines from the main hospital, with overflow pipe also draining into the estero. Minor drains have been installed for taking the surface water, so that the entire system of water supply and drainage for this building is now in excellent shape.

ORIENTE BUILDING.

The Oriente office building and bodega has been remodeled and is now occupied by six bureaus of the insular government, the court of customs appeals, offices of The Official Gazette, the American Circulating Library, and the Commercial Museum.

BUREAU OF POSTS.

The westerly part of the building, known as the Cuartel Fortin, recently transferred from the army for the use of the insular government, has been renovated and fitted up for the uses of the bureau of posts and the Manila post-office. The transfer of these offices from their old location on the Escolta, with all the furnishings, hard-wood partitions, lock boxes, etc., took place on Saturday, June 25, 1904, in the midst of a severe typhoon, and the post-office was open and ready for business the following Monday morning, June 27, 1904.

This building is directly on the water front and has a fine wharf where mail is delivered directly from launches and lighters, thus doing away with the heavy wagon transportation formerly required in handling mail from the United States. The new post-office is very much more conveniently located for the public and gives ample working space for handling the mail.

BUREAU OF THE INSULAR PURCHASING AGENT.

The new stable, wagon sheds, men's quarters, etc., have been completed for this bureau at San Lazaro and are now occupied. Plans for this improvement were published in the last annual report, together with a description of the same. Photographs of the completed work are herewith attached.

Construction of coal sheds at various coastwise ports in the islands for which appropriation was made last year has been postponed until very recently, pending decision as to their location. By recommen-

dation of the insular purchasing agent the number of these coaling stations has been reduced from thirteen to seven, and the capacity of most of them increased, the original appropriation being made still available. Plans are being prepared and contracts for the sheds at Iloilo and Cebu will be let in the near future.

BUREAU OF PRISONS.

The workshop at Bilibid Prison, 60 by 600 feet, constructed of stone taken from a portion of the old city wall now being demolished and structural steel obtained by contract, is approaching completion.

The warehouse, 60 by 200 feet, is completed.

A steel corridor connecting the latter with the prison inclosure is now being constructed.

MUNICIPAL BUILDING.

Plans for this building were published in the previous report. It was completed on March 7, 1904, and the various departments of the city government promptly assumed occupancy. A photograph of the completed building is attached hereto.

Although this office had full charge of the preparation of the plans and construction of the building the fact that it was built with city funds prevents what otherwise would be a legitimate addition to the volume of business done by this bureau, as appears in the financial statement attached hereto.

BUREAU OF CUSTOMS AND IMMIGRATION.

The remodeling of the interior of the old wing of the customs building has been completed. The offices of the appraiser's division have been moved to bodega A, which has been remodeled and refitted for their special needs.

A telephone system, embracing 40 instruments of the desk and wall patterns, has been installed, operated by a manual switch-board, which in addition to providing complete intercommunication throughout the building, also permits any of the telephones to be connected to either the commercial or the military telephone exchanges.

The old wing has also been completely rewired for incandescent lights and electric fans. Numerous minor repairs have been made to the bodegas and other buildings within the customs inclosure.

The immigrant quarantine station on Engineer Island has been repaired and refitted. Ventilators have been installed in the roof, a women's room built, proper arrangements made for toilets and lavatories, and a new cement floor laid.

A small two-story building has been erected at Balabac, Balabac Island, for use as a customs-house. In the lower part is a small office and bodega, and upstairs are quarters for the resident customs inspector. Although this is one of the extreme southern ports of the archipelago, building material and laborers were sent down by coast-guard boat from Manila and the work of construction promptly completed.

CIVIL SANITARIUM, BAGUIO, BENGUET.

Additional rooms have been built on some of the cottages and kitchen extensions provided for all of them. A two-story building, 28 by 43 feet, has been built, the first story of which will be used by the Commission as a sessions hall during their stay at Baguio and for the requisite quota of clerks and stenographers. The second story will be used for a telegraph office and a room for additional clerks.

A building, 25 by 70 feet, has also been constructed for quarters for household servants, sanitarium servants, and laborers employed by the government at Baguio. On the first floor is a large dormitory, kitchen, and mess hall, and the second story is divided into seven rooms for segregating the various classes and nationalities of servants.

All of the cottages have been repainted and numerous repairs attended to. A new galvanized-iron roof has been placed on the provincial governor's house, replacing the old grass roof.

A small sawmill has been built in the neighborhood of Baguio by private enterprise, and the opportunity to purchase lumber already sawed to dimensions and lengths required has greatly facilitated the work of construction.

A larger storehouse for this bureau will probably be needed in the near future for storing material and tools. Provision therein should be made for living quarters for the superintendent in charge of construction.

Transportation of material and supplies from San Fernando de Union to Naguilian and thence to Baguio has always been a source of delay and trouble in one way or another, particularly during the season when the Igorrotes are engaged in planting and harvesting rice, and it has been effectually demonstrated that building material should be shipped for Baguio during the dry season when polistas are obtainable.

THE AYUNTAMIENTO.

A modern and thoroughly sanitary toilet room and lavatory has been installed in the southeast wing. The governor's anteroom and the rooms of three of the commissioners have been re clothed and repainted. The old sessions hall has been subdivided with hard-wood screen partitions about 9 feet high, forming an office and anteroom for the vice-governor. The offices of four of the commissioners are now in process of renovation.

BUREAU OF AGRICULTURE.

A stable, 30 by 102 feet, has been built for the bureau of agriculture at Singalon, containing stalls for 17 American horses; seed, tool, and feed rooms, and quarters for hostler. At Murcia, province of Tarlac, nipa buildings have been constructed for housing the agricultural implements and horses used on the rice farm at that place. A cottage for the superintendent has also been built, containing quarters for himself and family and for official visitors.

BUREAU OF COAST GUARD AND TRANSPORTATION.

The machine shop, 80 by 160 feet and the warehouse, 80 by 92 feet, now being constructed on Engineer Island are approaching completion. The old stone quadrangle on the same island has been rebuilt and now forms the storehouse for the light-house division.

The city water supply has been extended from its terminus at the Anda Monument, to, and across the canal to Engineer Island, discharging into two new storage tanks each of 10,000 gallons capacity. Water will be piped from the tanks to the various buildings on the island and along the sea wall for supplying the coast-guard cutters.

MALACAÑANG PALACE.

The annex to the palace has been thoroughly renovated and repaired. The ground under this building was found to be lower than the surrounding grade, forming a catch-basin for surface water. The old floor being badly decayed in consequence, the entire area occupied by the building was filled in and a new floor constructed, well raised above the ground for ventilation.

A new toilet room and lavatory has been installed, and the building repainted and rewired for electric incandescent lighting.

The palace itself has had many repairs of a minor character.

CIVIL HOSPITAL.

Only minor repairs, such as new plumbing fixtures, repainting, etc., have been made during the year.

BUREAU OF THE INSULAR TREASURY.

Another steel vault has been built in the office of the insular treasurer, making the third large vault of this description. The vault has 480 square feet of floor space, with double vault doors, a time lock, Bessemer steel lining on floors, walls, and ceilings, surrounded with a grillage of steel beams and concrete.

The cash room has been enlarged and cashier's and teller's windows of modern design installed, with a special inclosure for the use of provincial treasurers.

BUREAU OF INSULAR COLD STORAGE AND ICE PLANT.

An extension to the stable for the ice plant has been built, with accommodations for 18 horses. A two-story storage shed has been built on the river front, with a second-story corridor connection to the main building. This shed is used for the storage of ammonia and other materials, as well as furnishing space for the small workshops of the plant.

COAST AND GEODETIC SURVEY.

The southerly entrance to the Intendencia Building and patio corridor, adjoining the offices of the United States Coast and Geodetic Survey, formerly unused, have been floored over and inclosed, and now form a valuable part of the offices of that bureau. A staircase has been built from these offices up to the entresuelo floor, used as a storeroom.

PUBLIC PRINTING OFFICE.

The printing office building, being a new one, only minor repairs incident to wear and tear of buildings of this kind have been necessary. On the recommendation of the public printer that such was necessary, the Commission appropriated funds for the construction of an additional wing to the building, to be used as a storage warehouse for paper. Plans and specifications were prepared by this bureau for a skeleton steel and brick building, upon which satisfactory estimates were received; but, warehouse room having been obtained elsewhere in existing storehouses owned by the government, the project was abandoned.

SCHOOLHOUSES.

Working plans, details, and specifications were prepared for school buildings at Bulan, Batangas, San Isidro, Romblon, Sorsogon, Bacolod, and La Carlota. Preliminary studies were furnished for schools located at Dingros, Pagsanjan, Juban, Casiguran, Vigan, and Surigao.

It is believed uniformity in schoolhouse construction would result in vastly simplifying the work, not only of this bureau, but also that of the bureau of education, as well as that of the division superintendents and provincial boards. Reference is made more particularly to uniformity of plan and arrangement, and constructive materials must necessarily be limited in a degree to local conditions. Opportunity for personal observation as to conditions and requirements of schoolhouse architecture throughout the islands has, thus far, not been presented, and plans are prepared for them from the data presented by division superintendents, through the bureau of education, with the latter's modifications, to this office. Sketch plans are then prepared embodying, as near as possible, the features called for, with such modifications as might be suggested from considerations of cost and construction.

Plans are requested for schoolhouses of a given number of rooms, with preferences for a one-story or two-story building, as the case might be. As conditions must be very generally the same throughout the islands, so far as schoolhouse construction is concerned, it follows that either the one-story or the two-story building is the better one, and, in order to arrive at some definite procedure as to this and many other points involved, it might conserve to the interests of all to have a frank and thorough exchange of ideas and experiences on these points. An interchange of views by a convention of division superintendents would be of great value and probably would fix upon a uniform type of schoolhouse, not only as to its plan and arrangement, but also as to the materials entering into its construction.

PRELIMINARY STUDIES FOR WORK NOT EXECUTED.

No little amount of study has been expended on preliminary plans and estimates for government buildings of importance which for various reasons have remained in statu quo.

The first of these was for projected buildings of a permanent character for Baguio, Benguet. The present structures are, of course, temporary affairs in a way, and such must be the character

of all future construction there until adequate communication is opened to the seacoast or by means of the new Benguet road to Dagupan and Manila. The plans in question consisted of residences for the governor and members of the Commission and a large administration building.

In accordance with the directions of the Commission, the bureau prepared plans and estimates for a capitol building at Manila, the site chosen for the building being the same as was selected by the Spanish Government for the palace of the governor-general, just west of McKinley square in the walled city, and contemplated using the existing foundation of that building.

Extensive preliminary studies, with plans and estimates, were also made for a general hospital, to be conducted by the insular government. These plans were submitted to a general committee composed of resident physicians in Manila and of the insular government, as well as prominent citizens, of which the honorable the secretary of the interior was chairman. The general committee submitted the plans and estimates to a subtechnical committee, of which the chief of this bureau is a member, with comment and directions for revision of same. Revised plans and estimates have accordingly been prepared and are now ready for submission to the technical committee, who will forward the same to the honorable the secretary of the interior at an early date.

Preliminary plans, with estimates, have been prepared for extensions to the new laboratory for use as offices for the forestry, mining, and other bureaus of the insular government.

Some months previous to the removal of the bureau of posts and the Manila post-office to their present quarters, it appeared probable that their then quarters might have to be vacated, and, by direction of the Commission, plans for a temporary post-office building were prepared, together with estimates of cost.

Believing that it might be of some interest to the Commission, this bureau submitted to Governor Taft, just previous to his departure from the islands, a scheme for the improvement of the land lying within the limits bounded by the walled city, Bagumbayan drive, the Bridge of Spain, and the Luneta. A photograph of this strip of land is attached hereto, together with photographs of the scheme for improvement above referred to.

Attached hereto is a statement of the financial operations of the bureau for the fiscal year 1904.

Respectfully submitted.

EDGAR K. BOURNE,
*Chief Bureau of Architecture
and Construction of Public Buildings.*

Appropriations and disbursements, fiscal year, 1904. Bureau of architecture and construction of public buildings.

	Appropriated.	Disbursed.	Turned in general fund.
Salaries and wages:			
Act 807.....	P27,000.00		
Act 1049.....	28,000.00		
	55,000.00	P54,612.17	P387.83
Contingent expenses:			
Act 807.....	1,972.00		
Act 1010.....	2,400.00		
Act 1049.....	2,200.00		
	6,572.00	5,766.91	805.09
Transportation:			
Act 807.....	3,000.00	994.56	2,005.44

PUBLIC WORKS.

Building.	Appropriated.	Disbursed.	Outstanding.	Balance.
Audiencia.....	P4,000.00	P1,767.73		P2,232.27
Ayuntamiento.....	23,700.00	16,811.57	P350.00	6,538.43
Board of health, San Lazaro:				
Women's department.....	4,400.00	566.69		3,833.31
Electrical wiring.....	1,700.00	922.06		777.94
Leper department.....	500.00			500.00
Roads, etc.....	3,000.00	588.90		2,411.10
Bureau of agriculture:				
Piping, etc.....	2,200.00	1,848.00		352.00
Storage building, etc.....	4,000.00	3,921.24		78.76
General repairs.....	400.00			400.00
College, Occidental Negros.....	50,000.00			50,000.00
Bureau of education, expenditures for buildings.....	4,600.00	107.45		4,492.55
Bureau of government laboratories:				
Serum institute.....	8,000.00	5,266.60		2,733.40
Calle Iris.....	2,300.00	1,686.59		613.41
Calle Alix.....	2,000.00	1,264.41		735.59
New laboratory building.....	82,892.00	71,137.99	1,300.00	10,454.01
New laboratory equipment.....	100,000.00	46,254.74		53,745.26
New laboratory fixtures.....	22,000.00	1,566.64	2,016.80	18,416.56
New laboratory filling.....	1,300.00	1,300.00		
Serum laboratory.....	2,000.00	934.21		1,065.79
Bureau of insular cold-storage and ice plant, painting, etc.....	4,900.00	3,171.76		1,728.24
Bureau insular treasury, vault, etc.....	36,628.00	29,667.89	3,600.00	3,360.11
Bureau of public printing, roof, etc.....	8,600.00	1,016.50		7,583.50
Civil hospital.....	8,000.00	5,146.70		2,853.30
Santa Potenciana.....	7,400.00	2,798.16		4,601.84
Building supplies.....	140,000.00	104,433.61		35,566.39
Board of health, San Lazaro:				
Stable.....	1,300.00			1,300.00
Separate tanks.....	12,000.00	5,711.97	2,985.00	3,303.03
Wards, etc.....	50,000.00			50,000.00
Cholera hospital.....	56,000.00	53,514.78		2,485.22
Plumbing.....	3,000.00			3,000.00
Crematory.....	3,000.00	2,374.35		625.65
Ventilators.....	1,530.00	794.50		735.50
Coast guard and transportation:				
Warehouses.....	68,000.00	1,883.64	63,984.00	2,132.36
Repairs.....	1,000.00			1,000.00
Watchman's building.....	600.00			600.00
Machine shop.....	15,700.00	15,279.48		420.52
Water and electric mains.....	10,000.00	5,059.59	200.00	4,740.41
Office.....	400.00	48.53		351.47
Bureau of customs:				
Iron fence.....	26,000.00			26,000.00
Sidewalks.....	6,000.00	3,597.39		2,402.61
Signal mast.....	3,000.00			3,000.00
Painting.....	3,000.00	2,992.90		7.10
Main building.....	14,024.00	11,421.26		2,602.74
Standpipes.....	3,000.00			3,000.00
Electric lights, etc.....	12,100.00	7,286.73	1,587.48	3,225.79
General alterations and repairs.....	12,000.00	10,855.22		1,144.78
Bureau of insular cold-storage and ice plant:				
Storage shed.....	10,000.00	7,159.21		2,840.79
Stables.....	6,000.00	2,755.55		3,244.45
Insular purchasing agent:				
Stables, etc.....	116,700.00	74,813.24	38,519.55	3,367.21
Coal sheds.....	28,000.00			28,000.00

Appropriations and disbursements, fiscal year, 1904. Bureau of architecture and construction of public buildings—Continued.

PUBLIC WORKS—Continued

Building.	Appropriated.	Disbursed.	Outstanding.	Balance.
Bureau of prisons:				
Workshop.....	₱38,000.00	₱8,210.51	₱22,400.00	₱7,389.49
Warehouse.....	17,600.00	9,531.06		8,068.94
Bureau of public printing, warehouse, etc.....	77,000.00			77,000.00
Bureau of architecture:				
Roof.....	3,600.00	2,275.95		1,324.05
Shelving, etc.....	600.00	144.88		455.12
Buildings at Baguio.....	35,112.00	18,010.39		17,101.61
Intendencia roof.....	8,000.00			8,000.00
Oriente building.....	60,293.00	60,016.02		276.98
General alterations and repairs.....	22,000.00	18,185.41		3,814.59
Custom-house at Balabac.....	2,000.00	1,340.19		659.81
Insular purchasing agent:				
Sidewalks.....	700.00			700.00
Filling.....	1,700.00		1,445.00	255.00
Cuartel Fortin:				
Post-office.....	20,244.00	3,026.21		17,217.79
Supply store.....	13,000.00	1,597.06		11,402.94
Electrical connections.....	400.00			400.00
Total.....	1,287,123.00	630,065.56	138,387.83	518,669.61

Disbursements, public works.

Paid insular purchasing agent.....	₱224,948.90
Work done by bureau.....	186,873.11
Work done by contract.....	218,243.55
Total.....	630,065.59

RECAPITULATION.

	Appropriated.	Disbursed.	Outstanding.	General fund.	Balance.
Salaries and wages.....	₱55,000.00	₱54,612.17		₱387.83	
Contingent expenses.....	6,572.00	5,766.91		805.09	
Transportation.....	3,600.00	994.56		2,005.44	
Public works.....	1,287,123.00	630,065.56	₱138,387.83		₱518,669.61
Total.....	1,351,695.00	691,430.20	138,387.83	3,198.36	518,669.61

SUPPLEMENTAL REPORT OF THE CHIEF OF THE BUREAU OF ARCHITECTURE AND CONSTRUCTION OF PUBLIC BUILDINGS, JULY 1 TO AUGUST 31, 1904.MANILA, P. I., *September 15, 1904.*

SIR: In compliance with instructions conveyed in your communication dated July 27, 1904, I have the honor to submit the supplemental report on the operations of this bureau for the period July 1, 1904, to August 31, 1904.

The office and general bureau equipment remains the same as on June 30, less one clerk class 9, as provided in Act 1225.

No work of great importance has been started since the previous report. Probably the most interesting event since that date, touching the repair and maintenance of public buildings, was the phenomenal flood of water during the week of July 11, when the greater part of the city was inundated. The water, however, did not rise above the street level within the walled city. At Malacanang palace the water was over 3 feet deep in the main foyer; at the new San Lazaro corral it rose about 8 inches above the stall floors; the new

*Appropriations and disbursements, fiscal year, 1901
tion of public build*

Salaries and wages:

Act 807.....
Act 1049.....

Contingent expenses:

Act 807.....
Act 1010.....
Act 1049.....

Transportation:

Act 807.....

PUB

Building.

Audiencia.....
Ayuntamiento.....
Board of health, San Lazaro:
 Women's department.....
 Electrical wiring.....
 Leper department.....
 Roads, etc.....
Bureau of agriculture:
 Piping, etc.....
 Storage building, etc.....
 General repairs.....
 College, Occidental Negros.....
Bureau of education, expenditures for.....
Bureau of government laboratories:
 Serum institute.....
 Calle Iris.....
 Calle Alix.....
 New laboratory building.....
 New laboratory equipment.....
 New laboratory fixtures.....
 New laboratory filling.....
 Serum laboratory.....
Bureau of insular cold-storage:
 painting, etc.....
Bureau insular treasury, vault.....
Bureau of public printing, repairs.....
Civil hospital.....
Santa Potenciana.....
Building supplies.....
Board of health, San Lazaro:
 Stable.....
 Separate tanks.....
 Wards, etc.....
 Cholera hospital.....
 Plumbing.....
 Crematory.....
 Ventilators.....
Coast guard and transport:
 Warehouses.....
 Repairs.....
 Watchman.....
 Machine.....
 Water.....
 Office.....
Bureau of.....

~~APPENDIX~~

MALACAÑANG PALACE.

walls on the exterior have been repainted and the other parts of the building touched up—all being the results of the July inundations.

Proposals concerning this building contained in the first are again respectfully submitted, viz, that a new be constructed for the use of the civil governor in some of the city. The neighborhood of the present palace is low level and the frequency with which water floods the property is situated so that it receives the full swift river in time of flood, and the water is noticeably higher grounds than it is in other parts of the city where it to spread out and is away from the swift current of the

In connection, the stone in the old foundation for the presence of the Spanish governor-general could be used in a new residence for the civil governor, and would probably for all the main walls of the building.

BUREAU OF PHILIPPINES CONSTABULARY.

It has been made by the chief supply officer, Philippines Bureau, that this bureau take charge of the construction of new buildings and repairs to old buildings throughout the Philippines. The request did not include buildings in remote portions of the country, but only such as are within working distance of the coast where supplies and materials can be delivered.

Plans have been prepared and submitted to the Commission and thereto.

The bureau has been requested by the chief supply officer to take charge of all repairs and new buildings for the bureau of Philippines Constabulary in the city of Manila, which include, in the immediate future, the construction of a new horse stable and repairs to the Santa Rosa barracks. A bluing furnace has just been completed in the main bodega for the ordnance division of the constabulary, plans and specifications for which, as well as the supervision thereof, were made by this bureau.

A supplementary statement of the financial operations of the bureau to August 31 is hereto attached.

An explanation of the apparent discrepancy in the value of payments made during the two months covered by said statement and the statement covering the whole of the fiscal year 1904, submitted in the previous report, it may be said that the greater part of the expenditures during said period involved payments to contractors on completed contracts which happened to fall due within the period mentioned. During this period, also, the books showed additional charges against the various subheads, due to the fact that certain materials, which were used on the jobs during the fiscal year 1904, were not charged to the subheads until statement furnished the disbursing officer, July 31, 1904.

Respectfully submitted.

EDGAR K. BOURNE,
*Chief Bureau of Architecture and
Construction of Public Buildings.*

Hon. JAMES F. SMITH,
Secretary of Public Instruction, Manila, P. I.

PUBLIC PRINTING OFFICE.

The printing office building, being a new one, only minor repairs incident to wear and tear of buildings of this kind have been necessary. On the recommendation of the public printer that such was necessary, the Commission appropriated funds for the construction of an additional wing to the building, to be used as a storage warehouse for paper. Plans and specifications were prepared by this bureau for a skeleton steel and brick building, upon which satisfactory estimates were received; but, warehouse room having been obtained elsewhere in existing storehouses owned by the government, the project was abandoned.

SCHOOLHOUSES.

Working plans, details, and specifications were prepared for school buildings at Bulan, Batangas, San Isidro, Romblon, Sorsogon, Bacolod, and La Carlota. Preliminary studies were furnished for schools located at Dingros, Pagsanjan, Juban, Casiguran, Vigan, and Surigao.

It is believed uniformity in schoolhouse construction would result in vastly simplifying the work, not only of this bureau, but also that of the bureau of education, as well as that of the division superintendents and provincial boards. Reference is made more particularly to uniformity of plan and arrangement, and constructive materials must necessarily be limited in a degree to local conditions. Opportunity for personal observation as to conditions and requirements of schoolhouse architecture throughout the islands has, thus far, not been presented, and plans are prepared for them from the data presented by division superintendents, through the bureau of education, with the latter's modifications, to this office. Sketch plans are then prepared embodying, as near as possible, the features called for, with such modifications as might be suggested from considerations of cost and construction.

Plans are requested for schoolhouses of a given number of rooms, with preferences for a one-story or two-story building, as the case might be. As conditions must be very generally the same throughout the islands, so far as schoolhouse construction is concerned, it follows that either the one-story or the two-story building is the better one, and, in order to arrive at some definite procedure as to this and many other points involved, it might conserve to the interests of all to have a frank and thorough exchange of ideas and experiences on these points. An interchange of views by a convention of division superintendents would be of great value and probably would fix upon a uniform type of schoolhouse, not only as to its plan and arrangement, but also as to the materials entering into its construction.

PRELIMINARY STUDIES FOR WORK NOT EXECUTED.

No little amount of study has been expended on preliminary plans and estimates for government buildings of importance which for various reasons have remained in statu quo.

The first of these was for projected buildings of a permanent character for Baguio, Benguet. The present structures are, of course, temporary affairs in a way, and such must be the character

of all future construction there until adequate communication is opened to the seacoast or by means of the new Benguet road to Dagupan and Manila. The plans in question consisted of residences for the governor and members of the Commission and a large administration building.

In accordance with the directions of the Commission, the bureau prepared plans and estimates for a capitol building at Manila, the site chosen for the building being the same as was selected by the Spanish Government for the palace of the governor-general, just west of McKinley square in the walled city, and contemplated using the existing foundation of that building.

Extensive preliminary studies, with plans and estimates, were also made for a general hospital, to be conducted by the insular government. These plans were submitted to a general committee composed of resident physicians in Manila and of the insular government, as well as prominent citizens, of which the honorable the secretary of the interior was chairman. The general committee submitted the plans and estimates to a subtechnical committee, of which the chief of this bureau is a member, with comment and directions for revision of same. Revised plans and estimates have accordingly been prepared and are now ready for submission to the technical committee, who will forward the same to the honorable the secretary of the interior at an early date.

Preliminary plans, with estimates, have been prepared for extensions to the new laboratory for use as offices for the forestry, mining, and other bureaus of the insular government.

Some months previous to the removal of the bureau of posts and the Manila post-office to their present quarters, it appeared probable that their then quarters might have to be vacated, and, by direction of the Commission, plans for a temporary post-office building were prepared, together with estimates of cost.

Believing that it might be of some interest to the Commission, this bureau submitted to Governor Taft, just previous to his departure from the islands, a scheme for the improvement of the land lying within the limits bounded by the walled city, Bagumbayan drive, the Bridge of Spain, and the Luneta. A photograph of this strip of land is attached hereto, together with photographs of the scheme for improvement above referred to.

Attached hereto is a statement of the financial operations of the bureau for the fiscal year 1904.

Respectfully submitted.

EDGAR K. BOURNE,
*Chief Bureau of Architecture
and Construction of Public Buildings.*

Appropriations and disbursements, fiscal year, 1904. Bureau of architecture and construction of public buildings.

	Appropriated.	Disbursed.	Turned in general fund.
Salaries and wages:			
Act 807.....	P27,000.00		
Act 1049.....	28,000.00		
	55,000.00	P54,612.17	P387.83
Contingent expenses:			
Act 807.....	1,972.00		
Act 1010.....	2,400.00		
Act 1049.....	2,200.00		
	6,572.00	5,766.91	805.09
Transportation:			
Act 807.....	3,000.00	994.56	2,005.44

PUBLIC WORKS.

Building.	Appropriated.	Disbursed.	Outstanding.	Balance.
Audiencia.....	P4,000.00	P1,767.73		P2,232.27
Ayuntamiento.....	23,700.00	16,811.57	P350.00	6,538.43
Board of health, San Lazaro:				
Women's department.....	4,400.00	566.69		3,833.31
Electrical wiring.....	1,700.00	922.06		777.94
Lepor department.....	500.00			500.00
Roads, etc.....	3,000.00	588.90		2,411.10
Bureau of agriculture:				
Piping, etc.....	2,200.00	1,848.00		352.00
Storage building, etc.....	4,000.00	3,921.24		78.76
General repairs.....	400.00			400.00
College, Occidental Negros.....	50,000.00			50,000.00
Bureau of education, expenditures for buildings.	4,600.00	107.45		4,492.55
Bureau of government laboratories:				
Serum institute.....	8,000.00	5,266.60		2,733.40
Calle Iris.....	2,300.00	1,686.59		613.41
Calle Alix.....	2,000.00	1,264.41		735.59
New laboratory building.....	82,892.00	71,137.99	1,300.00	10,454.01
New laboratory equipment.....	100,000.00	46,254.74		53,745.26
New laboratory fixtures.....	22,000.00	1,566.64	2,016.80	18,416.56
New laboratory filling.....	1,300.00	1,300.00		
Serum laboratory.....	2,000.00	934.21		1,065.79
Bureau of insular cold-storage and ice plant, painting, etc.....	4,900.00	3,171.76		1,728.24
Bureau insular treasury, vault, etc.....	36,628.00	29,667.89	3,600.00	3,360.11
Bureau of public printing, roof, etc.....	8,600.00	1,016.50		7,583.50
Civil hospital.....	8,000.00	5,146.70		2,853.30
Santa Potenciana.....	7,400.00	2,798.16		4,601.84
Building supplies.....	140,000.00	104,433.61		35,566.39
Board of health, San Lazaro:				
Stable.....	1,300.00			1,300.00
Separate tanks.....	12,000.00	5,711.97	2,985.00	3,303.03
Wards, etc.....	50,000.00			50,000.00
Cholera hospital.....	56,000.00	53,514.78		2,485.22
Plumbing.....	3,000.00			3,000.00
Crematory.....	3,000.00	2,374.35		625.65
Ventilators.....	1,530.00	794.50		735.50
Coast guard and transportation:				
Warehouses.....	68,000.00	1,883.64	63,984.00	2,132.36
Repairs.....	1,000.00			1,000.00
Watchman's building.....	600.00			600.00
Machine shop.....	15,700.00	15,279.48		420.52
Water and electric mains.....	10,000.00	5,059.59	200.00	4,740.41
Office.....	400.00	48.53		351.47
Bureau of customs:				
Iron fence.....	26,000.00			26,000.00
Sidewalks.....	6,000.00	3,597.39		2,402.61
Signal mast.....	3,000.00			3,000.00
Painting.....	3,000.00	2,992.90		7.10
Main building.....	14,024.00	11,421.36		2,602.64
Standpipes.....	3,000.00			3,000.00
Electric lights, etc.....	12,100.00	7,286.73	1,587.48	3,225.79
General alterations and repairs.....	12,000.00	10,855.22		1,144.78
Bureau of insular cold-storage and ice plant:				
Storage shed.....	10,000.00	7,159.21		2,840.79
Stables.....	6,000.00	2,755.55		3,244.45
Insular purchasing agent:				
Stables, etc.....	116,700.00	74,813.24	38,519.55	3,367.21
Coal sheds.....	28,000.00			28,000.00

Appropriations and disbursements, fiscal year, 1904. Bureau of architecture and construction of public buildings—Continued.

PUBLIC WORKS—Continued

Building.	Appropriated.	Disbursed.	Outstanding.	Balance.
Bureau of prisons:				
Workshop.....	₱38,000.00	₱8,210.51	₱22,400.00	₱7,389.49
Warehouse.....	17,600.00	9,531.06		8,068.94
Bureau of public printing, warehouse, etc.....	77,000.00			77,000.00
Bureau of architecture:				
Roof.....	3,600.00	2,275.95		1,324.05
Shelving, etc.....	600.00	144.88		455.12
Buildings at Baguio.....	35,112.00	18,010.39		17,101.61
Intendencia roof.....	8,000.00			8,000.00
Oriente building.....	60,283.00	60,016.02		276.98
General alterations and repairs.....	22,000.00	18,185.41		3,814.59
Custom-house at Balabac.....	2,000.00	1,340.19		659.81
Insular purchasing agent:				
Sidewalks.....	700.00			700.00
Filling.....	1,700.00		1,445.00	255.00
Cuartel Fortin:				
Post-office.....	20,244.00	3,026.21		17,217.79
Supply store.....	13,000.00	1,597.06		11,402.94
Electrical connections.....	400.00			400.00
Total.....	1,287,123.00	630,065.56	138,387.83	518,669.61

Disbursements, public works.

Paid insular purchasing agent.....	₱224,948.90
Work done by bureau.....	186,873.11
Work done by contract.....	218,243.55
Total.....	630,065.59

RECAPITULATION.

	Appropriated.	Disbursed.	Outstanding.	General fund.	Balance.
Salaries and wages.....	₱55,000.00	₱54,612.17		₱387.83	
Contingent expenses.....	6,572.00	5,766.91		805.09	
Transportation.....	3,000.00	994.56		2,005.44	
Public works.....	1,287,123.00	630,065.56	₱138,387.83		₱518,669.61
Total.....	1,351,695.00	691,439.20	138,387.83	3,198.36	518,669.61

SUPPLEMENTAL REPORT OF THE CHIEF OF THE BUREAU OF ARCHITECTURE AND CONSTRUCTION OF PUBLIC BUILDINGS, JULY 1 TO AUGUST 31, 1904.MANILA, P. I., *September 15, 1904.*

SIR: In compliance with instructions conveyed in your communication dated July 27, 1904, I have the honor to submit the supplemental report on the operations of this bureau for the period July 1, 1904, to August 31, 1904.

The office and general bureau equipment remains the same as on June 30, less one clerk class 9, as provided in Act 1225.

No work of great importance has been started since the previous report. Probably the most interesting event since that date, touching the repair and maintenance of public buildings, was the phenomenal flood of water during the week of July 11, when the greater part of the city was inundated. The water, however, did not rise above the street level within the walled city. At Malacanang palace the water was over 3 feet deep in the main foyer; at the new San Lazaro corral it rose about 8 inches above the stall floors; the new

post-office at cuartel Fortin was dry; the storehouse floor, bureau of architecture, was dry; at the civil hospital there was over 3 feet of water; the public printing office, first story, was dry, as was also the first floor of the new municipal building, although the water was 2 feet deep on the premises; the finished grade level at the new laboratory was dry, but the old levels were flooded.

BUREAU OF GOVERNMENT LABORATORIES.

Delivery of the machinery for this building is progressing and it is being set up as fast as received. The gas generator was put in commission the last day of August and is satisfactory in every way, the gas mains all having been tested out previously.

The biological laboratory moved into the new building during the latter part of August and has the use of the major portion of the biological desks.

The donkey pump is now in commission for the present purpose of keeping an even pressure on the water service throughout the building. The main boilers have been satisfactorily tested to a pressure of 260 pounds per square inch.

AUDIENCIA BUILDING.

A new railing has been placed in the chamber occupied by the supreme court, and the room has been entirely repainted and decorated. The floors of the rooms holding a large number of court records have shown signs of weakness recently and new trusses and girders of modern construction are being placed under same.

SANTA POTENCIANA BUILDING.

The plumbing of this building has been radically remodeled and is now in a sanitary condition. These renovations consist of the building of a new water-tight cesspool and septic tank overflowing into the street sewer, connected with the new soil and waste lines from the new toilets and lavatories on both floors of the building. The old cesspool has been cleaned out and filled in.

BUREAU OF CUSTOMS AND IMMIGRATION.

A fire-alarm system has been installed throughout the building and bodegas, with direct connection to the San Fernando station of the city fire department. A standpipe system has also been installed in the main building.

BUREAU OF POSTS.

Plans for a post-office screen, lock boxes, stamp window, etc., have been prepared by this bureau for the post-office at Cebu, Cebu. The work was all finished and put together in Manila, then knocked down, crated, and shipped to Cebu where it is being erected.

PUBLIC PRINTING OFFICE.

The stereotyping and electrotyping divisions are being moved from the second to the first story, giving more space for the bindery in the second floor. These divisions will occupy the space on the first floor formerly used as a paper storehouse, the paper being now stored in one of the custom-house bodegas.

MALACAÑANG PALACE.

The first story walls on the exterior have been repainted and the main foyer and other parts of the building touched up—all being necessitated by the results of the July inundations.

Recommendations concerning this building contained in the first annual report are again respectfully submitted, viz, that a new residence be constructed for the use of the civil governor in some other portion of the city. The neighborhood of the present palace is famous for its low level and the frequency with which water floods the grounds. The property is situated so that it receives the full swift current of the river in time of flood, and the water is noticeably higher on the palace grounds than it is in other parts of the city where it gets a chance to spread out and is away from the swift current of the river.

In this connection, the stone in the old foundation for the proposed residence of the Spanish governor-general could be used in building a new residence for the civil governor, and would probably be sufficient for all the main walls of the building.

BUREAU OF PHILIPPINES CONSTABULARY.

Request has been made by the chief supply officer, Philippines constabulary, that this bureau take charge of the construction of necessary new buildings and repairs to old buildings throughout the islands. The request did not include buildings in remote portions of the interior, but only such as are within working distance of the coast towns, where supplies and materials can be delivered.

Estimates have been prepared and submitted to the Commission in regard thereto.

The bureau has been requested by the chief supply officer to take charge of all repairs and new buildings for the bureau of Philippines constabulary in the city of Manila, which include, in the immediate future, the construction of a new horse stable and repairs to the Santa Lucia barracks. A bluing furnace has just been completed in the Oriente bodega for the ordnance division of the constabulary, plans and specifications for which, as well as the supervision thereof, were done by this bureau.

A supplementary statement of the financial operations of the bureau to August 31 is hereto attached.

In explanation of the apparent discrepancy in the value of payments made during the two months covered by said statement and the statement covering the whole of the fiscal year 1904, submitted in previous report, it may be said that the greater part of the expenditures during said period involved payments to contractors on completed contracts which happened to fall due within the period mentioned. During this period, also, the books showed additional charges against the various subheads, due to the fact that certain materials, which were used on the jobs during the fiscal year 1904, were not charged to the subheads until statement furnished the disbursing officer, July 31, 1904.

Respectfully submitted.

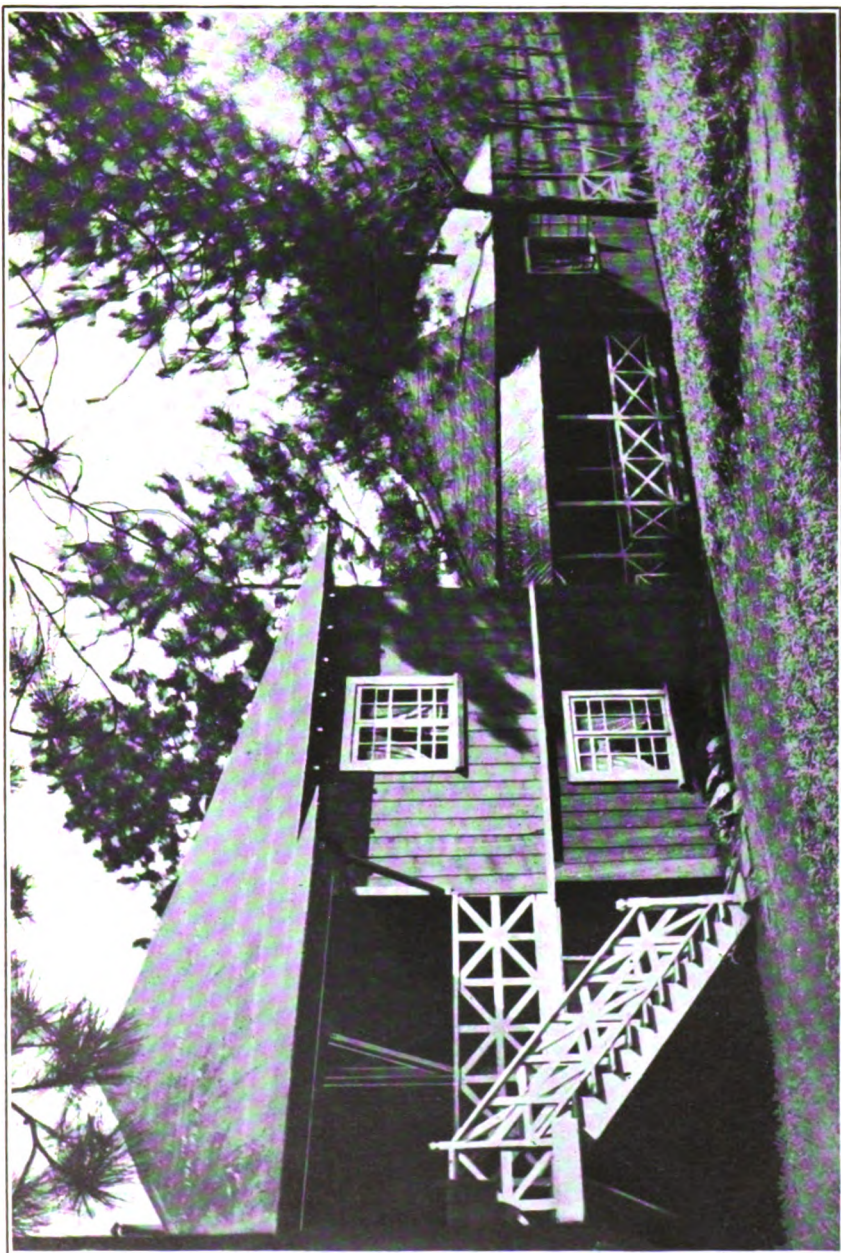
EDGAR K. BOURNE,
*Chief Bureau of Architecture and
Construction of Public Buildings.*

HON. JAMES F. SMITH,
Secretary of Public Instruction, Manila, P. I.

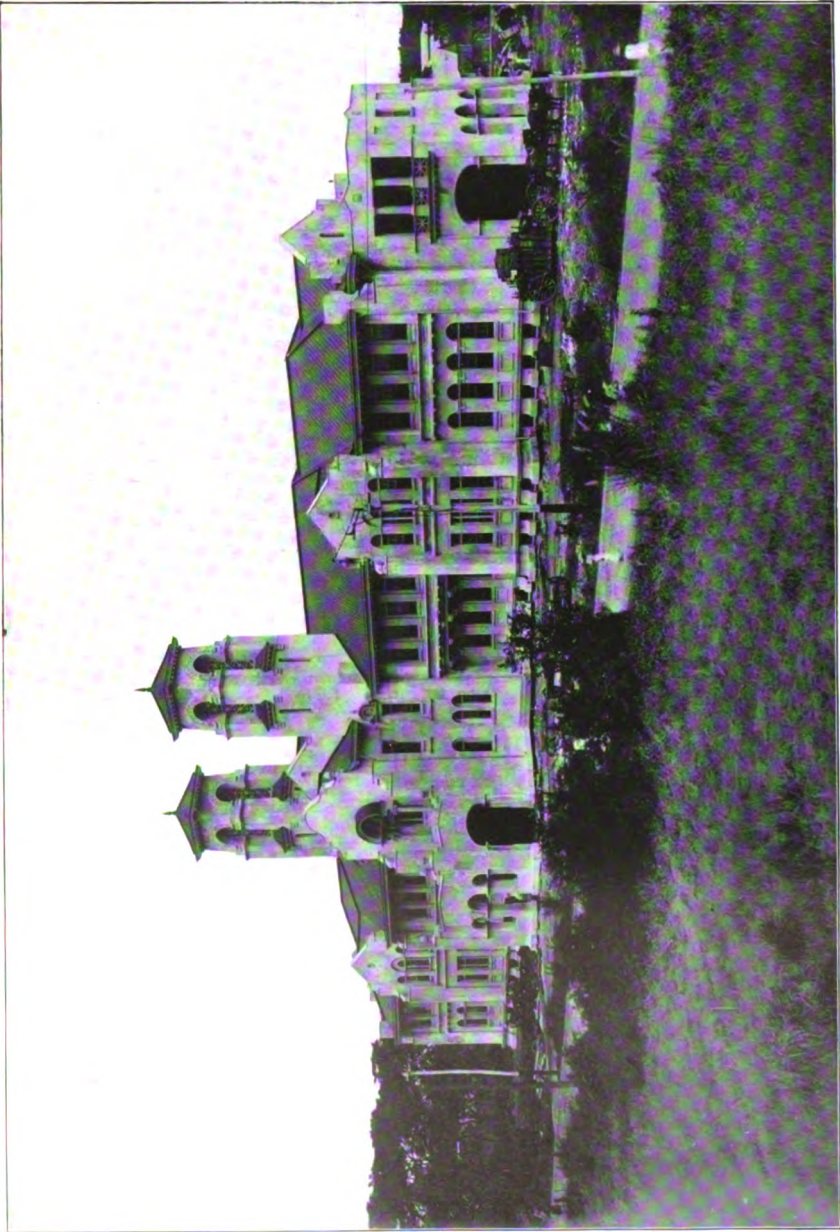
Statement of financial operations, July 1 to August 31, 1904.

Building.	Balance July 1, 1904.	Disbursed.	Outstand- ing.	Balance.	Balance reverting.
Audiencia.....	P2,232.27	P383.64			P1,848.63
Ayuntamiento.....	6,888.43	4,840.01	P350.00		1,698.42
Bureau of health, San Lazaro:					
Women's department.....	3,833.31	706.10			3,127.21
Electric wiring.....	777.94	252.29			525.65
Leper department.....	500.00		170.00		330.00
Roads, etc.....	2,411.10	216.50			2,194.60
Stables.....	1,300.00				1,300.00
Septic tanks.....	6,288.03	4,761.16			1,526.87
Wards, etc.....	50,000.00				50,000.00
Cholera hospital.....	2,485.22	2,398.54			86.68
Plumbing.....	3,000.00	2,129.76	764.00		106.24
Crematory.....	625.65	28.56			597.09
Ventilation.....	735.50	27.33			708.17
Bureau of agriculture:					
Piping.....	352.00				352.00
Storage building.....	78.76				78.76
General repairs.....	400.00				400.00
College, Occidental Negros.....	50,000.00				50,000.00
Bureau of education, expenditures for building.....	4,492.55	251.61	600.00		3,640.94
Bureau of government laboratories:					
Serum institute.....	2,733.40	2,697.43			35.97
Calle Iris.....	613.41	107.82			505.59
Calle Alix.....	735.59	485.96			249.63
New building.....	11,754.01	7,592.21			4,161.80
Equipment.....	53,745.26	19,722.00	3,000.00		31,023.26
Fixtures.....	20,433.36	6,041.90			14,391.46
Serum laboratory.....	1,065.79	282.58			783.21
Insular cold-storage and ice plant:					
Painting, etc.....	1,728.24	675.67			1,052.57
Storage shed.....	2,840.79				2,840.79
Stables.....	3,244.45				3,244.45
Bureau of insular treasury, vault, etc.....	6,960.11	107.85	3,600.00		3,252.26
Bureau of public printing:					
Roof, etc.....	7,583.50	136.68			7,446.82
Warehouse, etc.....	77,000.00				77,000.00
Civil hospital.....	2,853.30	2,985.98		P132.68	
Santa Potenciana.....	4,601.84	553.15	2,900.00		1,148.69
Building supplies, etc.....	35,566.39	17,789.95	91.00		17,685.44
Bureau of coast guard and transportation:					
Warehouses.....	66,116.36	28,244.82	37,787.68		83.86
Repairs.....	1,000.00				1,000.00
Watchman building.....	600.00				600.00
Machine shop.....	420.52	319.36			101.16
Water and electric mains.....	4,910.41	1,186.54			3,723.87
Office.....	351.47	46.72			304.75
Bureau of customs:					
Iron fence.....	26,000.00				26,000.00
Sidewalks.....	2,402.61	2,255.89			146.72
Signal mast.....	3,000.00				3,000.00
Painting.....	7.10				7.10
Main building.....	2,602.64	2,089.34			513.30
Standpipes.....	3,000.00	135.62			2,864.38
Electric lights.....	4,813.27	1,756.03	1,561.00		1,496.24
General alterations and repairs.....	1,144.78	1,078.84			65.94
Insular purchasing agent:					
Stables, etc.....	41,886.76	39,046.64			2,840.12
Coal sheds.....	28,000.00				28,000.00
Sidewalks.....	700.00				700.00
Filling.....	1,700.00	1,445.00			255.00
Bureau of prisons:					
Workshop.....	29,789.49	31,519.72		1,730.23	
Warehouse.....	8,068.94	639.16			7,429.78
Bureau of architecture:					
Roof.....	1,324.05	1,136.60			187.45
Shelving.....	455.12	454.76			.36
Buildings, Baguio.....	17,101.61	451.26			16,650.35
Intendencia roof.....	8,000.00				8,000.00
Oriente building.....	276.98	376.73		99.75	
General alterations and repairs.....	3,814.59	6,829.75		3,015.16	
Custom-house, Balabac.....	659.81	343.25			316.56
Cuartel Fortin:					
Post-office.....	17,217.79	10,805.81			6,411.98
Supply store.....	11,402.94	4,854.69	96.75		6,451.50
Electric connections.....	400.00	25.56			374.44
Total.....	657,057.44	210,236.77	50,920.43	4,977.82	400,878.06
Net balance.....					4,977.82
					395,900.24

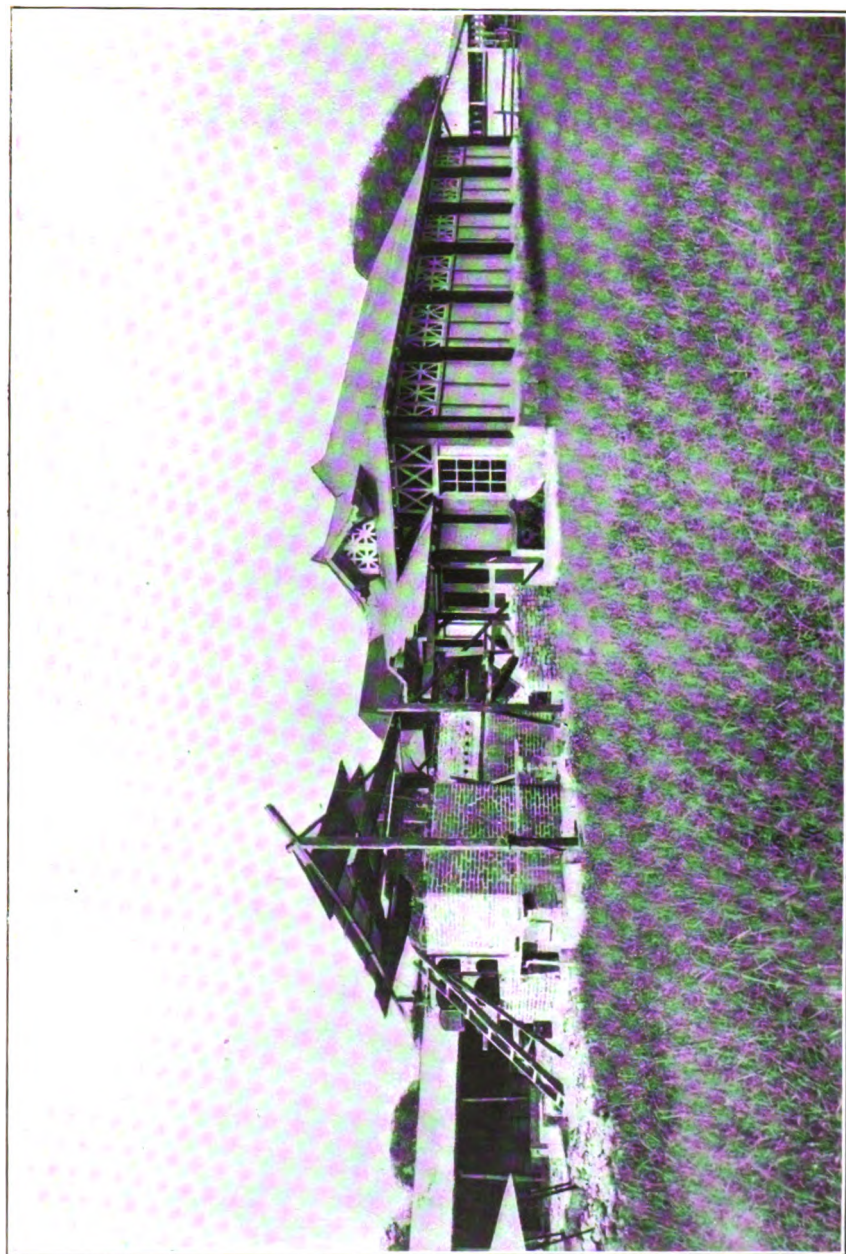
Amounts overdrawn will be appropriated next appropriation bill.



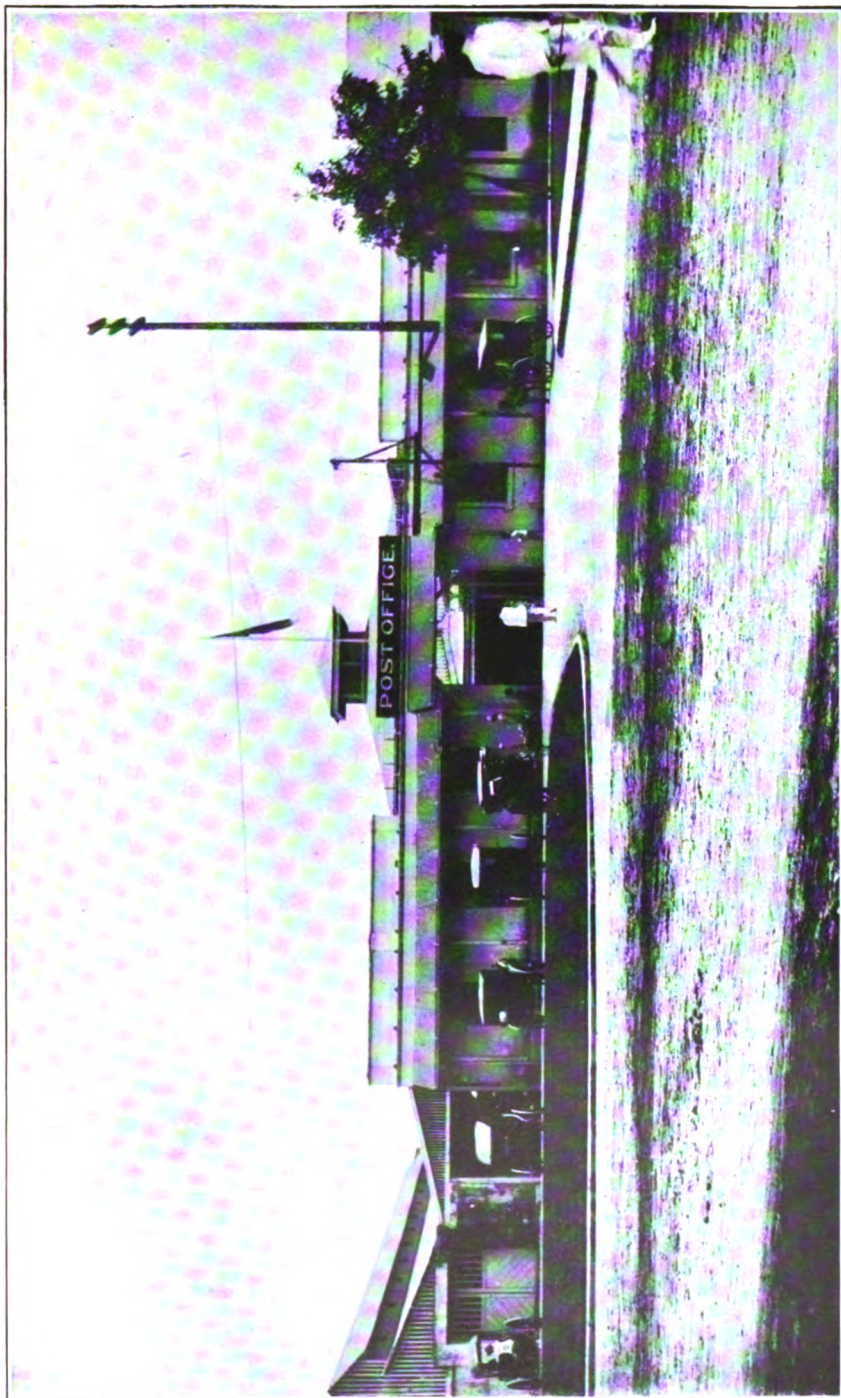
COTTAGE NO. 2, BAGUIO, BENGUET.



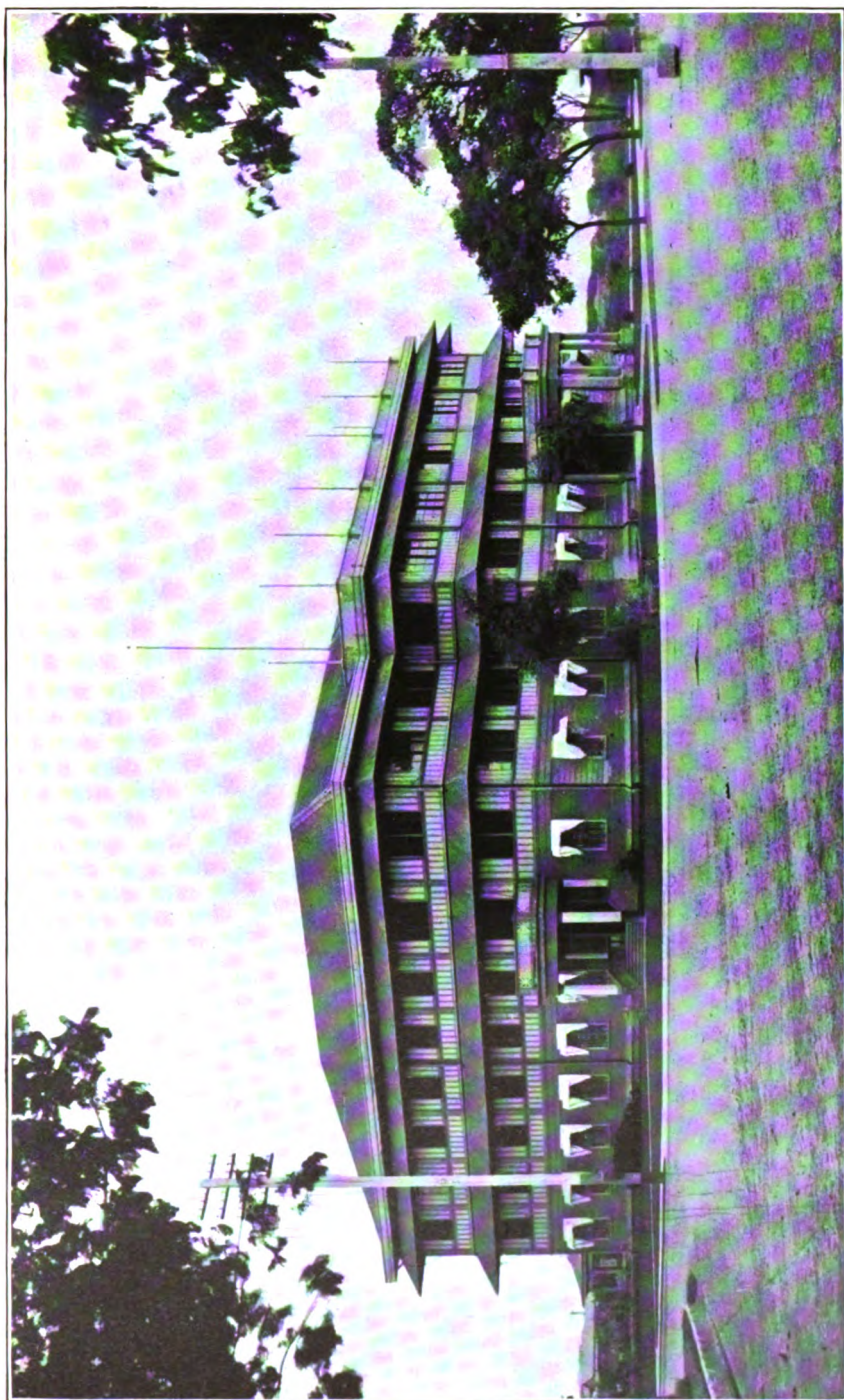
GOVERNMENT LABORATORY.



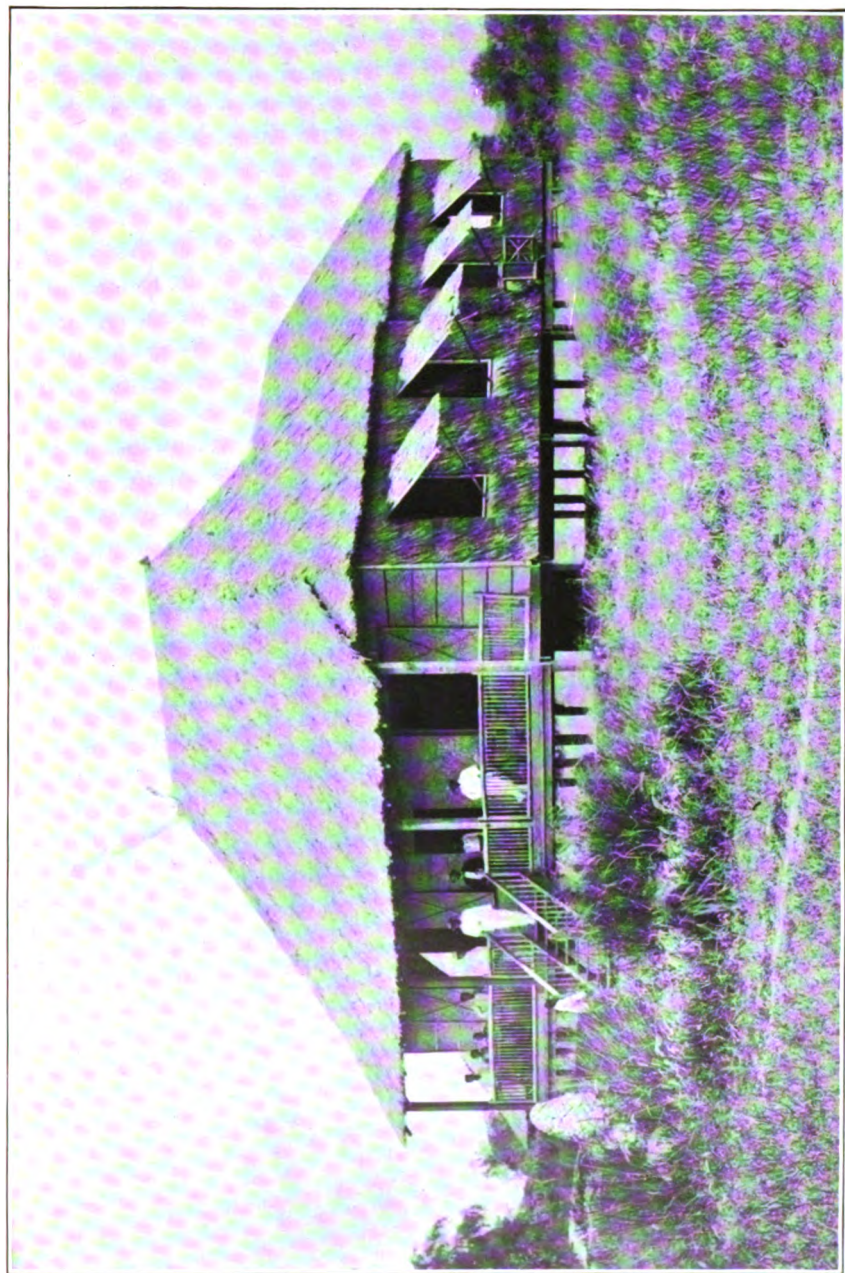
MORGUE AND CREMATORY.



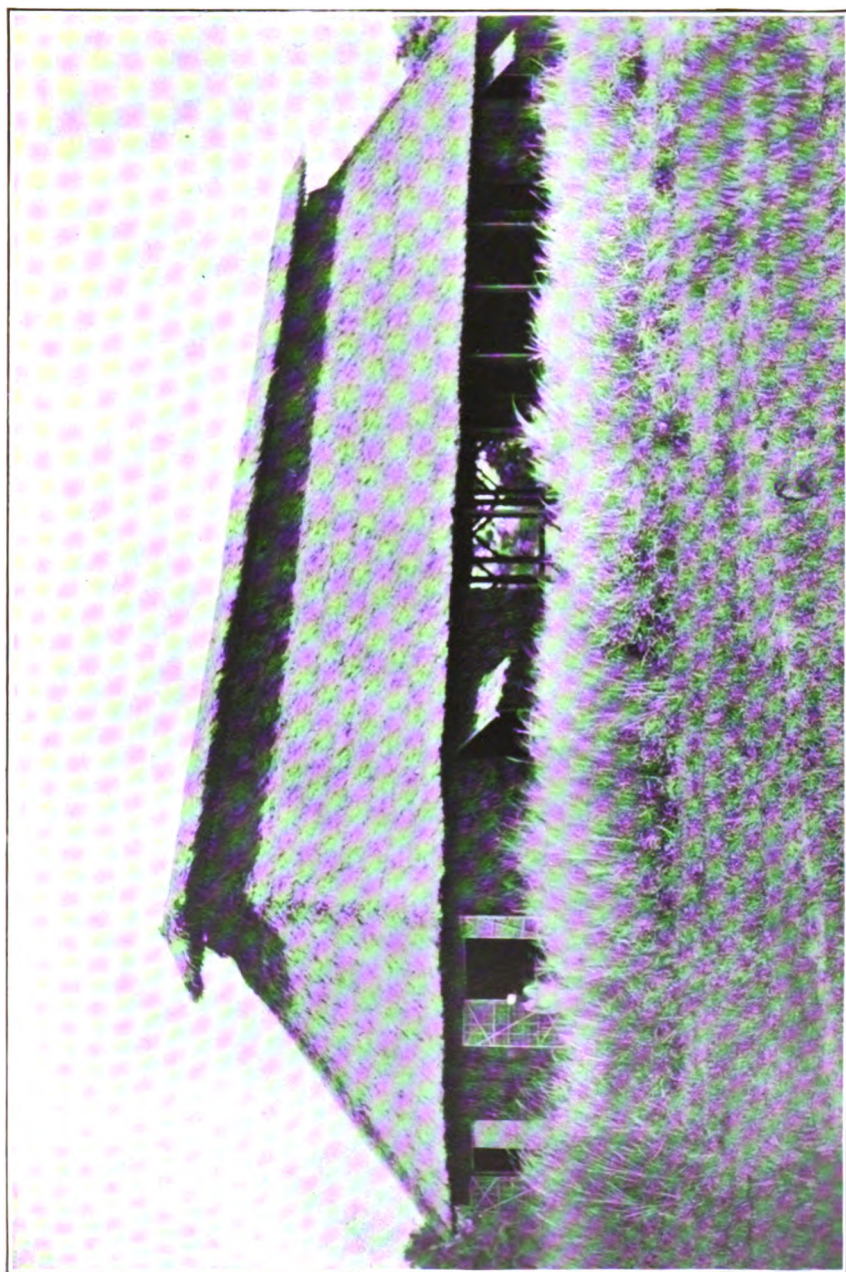
MANILA POST-OFFICE.



NEW MUNICIPAL BUILDING.



SUPERINTENDENT'S COTTAGE, GOVERNMENT RICE FARM, MURCIA



STABLE AT GOVERNMENT RICE FARM, MURCIA, TARLAC PROVINCE.

Disbursements, public works, July 1 to August 31.

Paid insular purchasing agent.....	₱47,174.60
Done by contract.....	121,711.78
Done by bureau.....	41,350.39
	<hr/> 210,236.77

Disbursements made by disbursing officer, bureau of architecture, account of work done by bureau of architecture under appropriations made to other bureaus.

BUREAU OF AGRICULTURE.

Appropriated.	Amount.	Disbursed.	Outstanding.	Balance.
Rice farm, Act 634.....	₱8,595.00	₱8,541.50	.....	₱53.50

BUREAU OF PHILIPPINE CONSTABULARY.

Clothing, camp and garrison equipage, 1904.....	₱1,400.00	₱1,298.00	₱102.00
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WAR 1904—VOL 13—60

EXHIBIT D.

REPORT OF THE PUBLIC PRINTER.

BUREAU OF PUBLIC PRINTING,
OFFICE OF THE PUBLIC PRINTER,
Manila, September 10, 1904.

SIR: I present the following report of the operations of this bureau for the period from July 1, 1903, to June 30, 1904, with certain additional statistics to date of report.

A comparison of Table 1 with that submitted in the last annual report shows an increased total product to the value of \$61,953.74 for the year, or 28 per cent. Excess product over all cost is \$59,641.01, as compared with \$24,236.64 for the fiscal year 1903, or over 146 per cent increase. There was some modification in the scale of prices during the year, and the results indicate that a further material modification may be made during this fiscal year.

Act 807 of the Philippine Commission provided that no printing furnished upon requisition approved by the civil governor or head of a department for any department, bureau, or office of the insular government should be collected for in cash as in previous years, but that a detailed report of all such printing be submitted to the secretary of public instruction and the auditor at the close of the year, together with a full statement of all printing for provincial or municipal governments or others who were required to pay in cash. For the insular government printing to the value of \$211,192.58 was executed, and for provincial and municipal governments and outside parties, \$69,359.08 United States currency. Inasmuch as the actual cost of the operation of the plant (salaries paid and supplies used) was \$195,435.92, and the collectible printing and miscellaneous revenues amounted to \$70,046.04, the cost to the insular government proper for its printing was only \$125,389.88 for the year.

Tabular statements show in detail the work executed and the cost of operation. Table 5 is a consolidation of several previous tables.

There have been installed during the year six new linotype machines, two of them being the latest pattern double magazines; three Pony Miehle presses, No. 1; Brown & Carver 50-inch cutter; rotary planing, and book plate and job shaving machines; Quimby screw pump, and a duplication of the power plant. Many of these were ordered to provide adequate facilities for the instruction of native employees.

During the year 13,197 requisitions for printing were completed, 4,619 of which were for provincial printing, 686 for the city of Manila, and 524 for outside work.

Cost of various supplies was materially increased by the addition of customs duties. Freight, lighterage, insurance, duty, and the 10 per cent to the insular purchasing agent (Act 231) adds about 35 per cent to the cost of all material entering into the product of the plant, not considering the damage to supplies in transit and by repeated handling.

Owing to the state of the finances it was decided to postpone the erection of a steel-frame warehouse adjoining the present building, and arrangements were made for the use of one of the custom-house bodegas for storage purposes. Increased space facilities being needed in the composing room and bindery, preparations are being made to remove the electrotype and stereotype foundry from its present quarters to the first floor. For that purpose the paper stock now stored there is being gradually removed to bodega K, custom-house. Work of fitting the floor for the foundry will be commenced in the near future.

Form No. 79 of this bureau, a copy of which is attached as Exhibit A, contains a list of all the printed forms and books carried in stock, and is a convenient reference in making out requisitions for the ordinary auditor, municipal, provincial, and judicial forms.

Plans are now in preparation for the treatment of the grounds in front of the bureau, with a view to being made a part of the parking of the botanical gardens and the new city building. The iron fence will be removed and turned over to the city authorities. The improvement will add to the attractiveness of this part of the city.

On July 13 and 14 of this year the grounds were under about 2 feet of water, due to the excessive rains, and for a while threatened to rise up to the stock on the first floor. It flooded the oil house and stables. Fortunately it receded without doing much damage. Oats were the only supplies which suffered deterioration.

The personnel of the bureau is constantly changing, and the force of American instructors is decreasing, as is shown by the following table:

PROBATIONARY.

	Appoint-ments.	Separations.			
		Re-signed.	Trans-ferred.	Dis-charged.	Total.
Americans:					
Instructors, from U. S. civil service	8	10	1	3	11
Clerks, from U. S. civil service	3		2		2
Instructors, from Philippine civil service	5	6	1	3	10
Copyholders, from Philippine civil service	5	2	1		3
Watchmen, from Philippine civil service	2	1		1	2
Warehouse assistants, from Philippine civil service (American negroes)		2			2
Filipinos:					
Clerks	1				
Craftsmen	2			5	5
Junior craftsmen	45			7	7
Apprentices	68	11		23	34
Helpers	20	2		14	16
Messengers and carretela drivers	15			13	13
Total	174	34	5	69	108

TEMPORARY.

	Appoint-ments.	Separations.
Americans:		
Instructors.....	2	2
Clerks.....	2	2
Negro employees.....	1	1
Watchmen.....	2	1
Filipinos:		
Craftsmen.....	1	3
Junior craftsmen.....	25	21
Total.....	33	30

Progress in instruction of native craftsmen and apprentices is noted for the year. A full report of this branch of the work is made by the superintendent of instruction, as follows:

SEPTEMBER 1, 1904.

SIR: I have the honor to submit the following report upon the instruction of the native craftsmen and apprentices of this bureau during the fiscal year 1904:

During the year the work of instructing the native craftsmen and apprentices in the various trades specialties has been carried along the same lines as formerly. All American employees are classed as instructors and it is their duty to impart of their knowledge to the native craftsmen and apprentices.

In reviewing the work of the past twelve months progress is apparent. The foremen of the various divisions have cooperated with this office, and it is largely due to their efforts and interest that such good results were obtained. Due credit must also be given the employees, who, with but few exceptions, have shown aptitude and adaptiveness, their habits, character, and conduct being very good.

COMPOSING ROOM.

Gratifying progress has resulted from instruction in the composing room. At the close of last year four additional linotype machines were installed, permitting the assignment of two natives as regular operators. A class in linotype operation was started at the beginning of this year, two hours per day being assigned to practice and instruction. As a result eight of the ten linotype machines (two being added in May, 1904) are now being operated by natives. While the product of the native operator is not as much as that of the American, the additional facilities have made it possible to supply the demand for machine composition.

About 25 per cent of the machine composition on Volume I of the annotated edition of the acts of the Philippine Commission, Spanish (over 1,200 quarto pages); 50 per cent of Volume II, English (686 quarto pages), same publication, and all of Volume II, Spanish, same publication, including both columns of side notes, was performed by native linotype operators. Volume I, English and Spanish, of the reports of the supreme court, comprising approximately 800 pages each, is also the product of the native linotype operator.

In regard to hand composition, particularly tabular matter, the Civil Service Roster is the product of native compositors exclusively, about one-half of which was set by apprentices.

All make-up and imposition work is being done by junior craftsmen, under the guidance and instruction of an American. Attention is invited to the make-up and imposition of the publications mentioned above as being done by natives.

One year ago the preparation of all job copy was done by an American. At present a native marks practically all job copy.

Native job compositors performed about 25 per cent of the job work one year ago; now it is all being done by them, including four apprentices.

The distribution of all job and body type, taking care of electrotypes plates, running the dumping bank, etc., are all done by Filipinos.

The apprenticeship of three years has been arranged so that one year's time is devoted to straight and tabular composition, one year to job composition, and one year to making-up and imposition. Upon completion of three years at these branches they should be well fitted to proceed with the more advanced specialties, as linotype operation, preparation of copy, etc.

Following are the number of employees in the composing room on July 1, 1903, and July 1, 1904:

	Ameri- cans.	Filipinos.		
		Junior crafts- men.	Appren- tices.	Helpers.
July 1, 1903.....	23	15	5	4
July 1, 1904.....	11	34	10	6

On this date (September 1, 1904) there are only 7 Americans in this division.

ELECTROTYPING AND STEREOTYPING DIVISION.

The installation of this branch of the plant was the first, and is still the only one of the kind in the islands. For this reason a review of the year's instruction will perhaps better demonstrate what has been accomplished than any of the other trades, the principles of which were known to the Filipino. The first two apprentices were assigned April 1, 1903. During the past year six more have been assigned. Wholly unacquainted with any of the work or machinery at their assignment, under the guidance of American instructors they are demonstrating the ability to become proficient. One of the two assigned April 1, 1903, is at present able to finish all ordinary work in a skillful manner, and is specially proficient in making corrections in plates. All the apprentices have shown considerable aptitude in molding and building and battery and casting work and at present are performing all such work, under supervision.

But a small quantity of stereotyping work has been done during the year, and the instruction in this specialty, therefore, has been limited. However, all apprentices are taught the principle, and when there is stereotyping work they are allowed to do it under guidance of an instructor.

BINDERY.

Comparing the various trades which comprise the bureau of public printing there is no doubt but that the work of the bindery is more to the liking of the Filipino and their capability than any of the others. In quality their product compares quite favorably with that of American craftsmen. They manifest an eagerness to become acquainted with modern methods. Especially is this true in the operation of the machinery. Automatic folding machine, book-sewing machines, automatic paper-cutting machines, wire-stitching machines, ruling machines are all operated by natives with satisfactory results. Employees of the bindery are classified as craftsmen, junior craftsmen, apprentices, and helpers. Junior craftsmen are advanced to the grade of craftsmen when they demonstrate their ability in certain specialties. Apprentices are advanced systematically, from handling paper to finishing blank and printed books. At present 3 are detailed on ruling machines, 2 on finishing, 8 on blank and printed forwarding, and 2 on quarter-bound work. Three American instructors (including foreman and assistant foreman) are employed in the bindery.

Your attention is respectfully invited to the volumes of the "Annotated editions of the acts of the Philippine Commission," the "Quarterly volumes of acts of the Commission," "Opinions of the attorney-general," and "Executive orders," bound in full law sheep, as being the product of Filipino bookbinders. During the year the bindery has executed practically every kind of work known to the trade.

PHOTO-ENGRAVING ROOM.

The progress resulting from the year's instruction in photo-engraving work has been exceptionally pleasing. Apprentices, under guidance, are preparing, exposing, and developing plates. The work of coating, stripping, and printing is performed by apprentices. They also etch, route, bevel, and block. While excellent progress has been made in the actual work, it will require considerable study and experience to secure the required knowledge of chemicals and formulas. Six apprentices are assigned to this division.

PRESS ROOM.

But one cylinder press was in the hands of a native craftsman one year ago. During the year four more have been given presses and they are executing ordinary book and job work from type and plates satisfactorily. Attention is invited to the presswork on Volume II,

both English and Spanish, of the acts of the Philippine Commission, and also the opinions of the attorney-general. It was performed entirely by natives, the forms being of linotype slugs. Appreciable progress has also been made by the Filipinos working on the platen presses.

Fourteen apprentices are assigned to the press room. Their instruction includes all branches of the trade, from feeding the press to its operation on all classes of work. There are several of these boys who show promising signs of developing into good junior craftsmen.

POWER PLANT AND MACHINE SHOP.

During the past year apprentices were assigned to this department. Instruction of two of them has been confined to electrical work, with such machinist's work as properly belongs to that trade. The third is assigned chiefly to machinist's work. The progress of all has been pleasing. Two junior machinists are performing very good work on lathe and shaper, and doing many little odd jobs of repairs.

The following table shows the assignment of apprentices and the number of the respective classes:

Division.	Class.				
	6.	5.	4.	3.	Total.
Composing room.....	4	4	5		13
Bindery.....	2	2	9	1	14
Electrotyping and stereotyping division.....		2	6		8
Photo-engraving division.....	1	1	4		6
Press room.....	1	2	11		14
Machine shop.....			3		3
Total.....	8	11	38	1	58

Attendance has been good. A few of those assigned quit because they did not like the work. During the year 34 appointments were canceled. Segundo Hipolito and José Xeres, who were assigned to the bindery and composing room, respectively, were selected by the Philippine Commission to study in the United States at the expense of the government; they resigned their apprenticeship.

On Monday of each week apprentices who have been absent (sick, excused, absent, or tardy) during the preceding week are officially notified of such absences, in order to bring their attendance record constantly to their attention. The period in each class is extended until full time is made up.

For a specimen of the work performed by apprentices under instruction, attention is invited to the bureau of public printing calendar for 1904. The work was performed entirely by natives, even to the half-tone and presswork.

It is apparent that one of the most effective factors in the scheme or system of instruction has been the attendance of the native employees at night schools. Your unceasing efforts in prevailing upon them to attend these schools and study the English language have brought gratifying results. Nearly all understand instructions in English, while a few speak it quite readily.

Respectfully,

J. A. HOGGETTE,
Acting Superintendent of Instruction.

The ACTING PUBLIC PRINTER.

On May 16, 1904, Mr. John S. Leech, the public printer, commenced a vacation of some months in the United States, having completed three years of service for the insular government. With what zeal he prosecuted his duties, and how the interests of the government were constantly guarded, is perhaps better known to those of us who have labored close to him during that period than to others. Ever mindful of the purposes of the establishment and the objects sought to be attained by the Commission in the education of natives in the trades, he has also been considerate of the welfare of the employees. In his two annual reports he has submitted recommendations looking toward an amelioration of living conditions in Manila. Quick to recognize and appreciate ability in employees, he demands of them faithful and intelligent services and hearty

cooperation. The result of his labors has been very gratifying, as attested by the product of the plant and the progress shown by the native employees.

SUPPLEMENTAL REPORT.

In accordance with request contained in your letter of July 27, 1904, there is appended to the report proper tables showing the operations of the bureau for the months of July and August, 1904. July printing is valued at \$24,084.80, and August printing at \$27,267.08.

There are at present in course of publication two volumes of supreme court reports (one English and one Spanish), a volume of treasury records index, three quarto volumes on the Bontoc Igorrotes, Zambales Negritos, and the Augustinian relations (the first two largely illustrated with half-tones); the annual report of the weather bureau, the third volume of the annotated laws of the Commission in English and Spanish, sixteenth quarterly volume of laws, bulletin on Amebiasis, and a constabulary orders index, besides numerous small pamphlets and a large quantity of job work.

Very respectfully,

EDWIN C. JONES,
Acting Public Printer.

Hon. JAMES F. SMITH,
Secretary of Public Instruction.

Employees of the bureau of public printing, September 1, 1904.

Employees.	Departments.											Nationality.							
	Office of the public printer.	Warehouse, watchmen, and miscellaneous.	Proof room.	Composing room.	Bindery.	Foundry.	Photo-engraving.	Press room.	Power plant.	Laborers.	Total.	Permanent.			Temporary.				Total.
												Americans.	American negroes.	Filipinos.	Americans.	American negroes.	Filipinos.	Chinese.	
Public printer, superintendent of instruction, and foreman of printing.....	3										3	3							3
TECHNICAL. ^a																			
Instructors.....	4	2	5	7	3	4	3	7	2		37	36				1			37
Copyholders.....			4								4	3							4
Craftsmen.....			1			27					28			27					28
Junior craftsmen.....		2		31	19	1	1	10	2		69			65			4		69
Apprentices.....				13	15	8	6	14	3		59			59					59
Helpers.....		4		5	7	3	1	5	4		29			28				1	29
Laborers.....										21	24			24					24
CLERICAL, ETC. ^b																			
Clerks.....	8										8	4		3			1		8
In charge of laborers.....		1									1	1							1
Watchmen.....		4									4	2	1		1				4
Messengers and cart-toll drivers.....	4	4	1								9			9					9
Carpenters.....										4	4							4	4
Total.....	19	17	11	59	71	16	11	36	11	28	279	49	1	216	1	1	6	5	279

^a Entitled to overtime pay.

^b Not entitled to overtime pay.

TABLE 1.—Statement showing cost of operating the plant during the fiscal year 1904 as compared with the product.

[In United States currency.]

CREDITS.

Printing and binding for civil government authorized by—		
Civil governor (requisitions A).....	\$65,255.95	
Secretary of the interior (requisitions B).....	29,798.15	
Secretary of commerce and police (requisitions C).....	37,675.97	
Secretary of finance and justice (requisitions D).....	47,990.30	
Secretary of public instruction (requisitions E).....	25,730.66	
Printing and binding for bureau of public printing (sec. 9, Act 296).....	4,626.50	
Obsolete forms destroyed by authority of insular auditor.....	115.05	
		\$211,192.58
Printing and binding authorized by the civil governor for—		
City of Manila.....		12,947.40
Provincial governments.....		51,163.18
Outside parties (others than the government).....		5,248.50
Stock printing on hand June 30, 1904.....	\$19,264.07	
Less stock printing on hand July 1, 1903.....	\$1,628.05	
Less stock printing received by transfer from insular treasurer September 1, 1903.....	14,960.80	
		16,588.85
		2,675.22
Miscellaneous receipts, other than printing and binding (waste paper, boxes, etc.).....		686.96
Total.....		283,913.84

DEBITS.

Salaries and wages.....	\$138,166.33	
Printing paper expended (Table 5).....	\$40,319.42	
Supplies other than printing paper expended (Table 5).....	15,689.13	
Miscellaneous expenditures (Tables 3 and 4).....	1,250.04	
		57,267.59
		195,435.92
Excess product.....		88,477.92
Fair wear and tear on equipment—		
Total equipment June 30, 1904.....	\$141,506.63	
Paid insular purchasing agent, 1904.....	^a 41,321.38	
		182,828.01
Less 10 per cent allowed for fiscal year 1903.....	14,150.66	
Less articles condemned and dropped.....	308.22	
		14,458.88
Total equipment.....		168,369.13
Ten per cent for fair wear and tear.....		16,836.91
Allowance for rent.....		12,000.00
		28,836.91
Total excess over all.....		59,641.01
^a Received prior to July 1, 1903, and paid during 1904 from 1903 funds.....	\$210.36	
Received during 1904, and paid from 1903 funds.....	37,239.58	
Received during 1904, and paid from 1904 funds.....	3,871.44	
Total (includes insular purchasing agent, 10 per cent).....		41,321.38

TABLE 2.—Statement of appropriations and disbursements for the bureau of public printing, July 1, 1903, to June 30, 1904.

[In United States currency.]

	Resources.			Disbursements.	Balance.	Outstanding obligations.
	Appropriation, Act 807.	Appropriation, Act 1049.	Total appropriation.			
Salaries and wages:						
Designated classes.....	\$54,295.00	\$42,500.00	\$96,795.00	\$94,463.065	\$2,331.935	551.30
Craftsmen, junior craftsmen, etc.....	20,000.00	17,000.00	37,000.00	33,512.47	3,287.53	22.79
Apprentices.....	2,000.00	1,800.00	3,800.00	3,509.865	3,958.065	16.45
Overtime and contingent.	10,000.00		10,000.00	6,041.955	240.135	.485
Refund of H. A. Lampman (overpayment).....			a 1.25		a 1.25	
Total salaries and wages.....	86,295.00	61,300.00	147,595.00	137,577.305	10,018.945	591.025
Contingent expenses.....	20,000.00	34,200.00	54,200.00	b 1,121.17 c 20,635.03	32,443.26	d 128.33 e 32,309.01
Total.....	106,295.00	95,500.00	201,796.25	159,334.045	42,462.205	33,028.365

a Refund to craftsmen, junior craftsmen, etc.

b By H. A. Lampman (Table 3).

c By auditor for purchases from insular purchasing agent (Table 5).

d To be paid by H. A. Lampman (Table 4)—estimated.

e To be paid by auditor for purchases from insular purchasing agent (Table 5)—estimated.

TABLE 3.—Sundry disbursements for contingent expenses for the fiscal year 1904, made by H. A. Lampman, disbursing officer.

[In United States currency.]

Insular cold storage and ice plant—	
Ice.....	\$248.825
Electric current.....	444.27
D. M. Salva, horseshoeing.....	65.00
Kwong Ye Cheong, laundry, July and August.....	17.46
Manuel Earnshaw & Co., replacing boiler tube.....	29.00
Chas. F. Lanman, eggs.....	12.675
E. H. Johnson, painting smokestack.....	35.00
Adad & Pickard, repairing clock.....	2.00
Padern & Moreno Bros., repairing delivery wagon.....	3.00
Bureau of prisons, laundry.....	114.14
Picket & Roberts, harness repairs.....	2.25
San Nicolas Iron Works, repairs to pinion on press.....	5.59
Germania, José M. Paris, manager, 1,000 lithographs.....	70.00
José de Garchitorena, repairing carretelas.....	30.00
Carmelo & Bauermann, 10 lithographs.....	12.50
Ramon Montes, 1,500 lithographs.....	30.00
Total.....	1,121.71

TABLE 4.—Outstanding obligations for contingent expenses fiscal year 1904, to be paid by H. A. Lampman, disbursing officer.

[In United States currency.]

Insular cold storage and ice plant, ice.....	\$88.43
D. M. Salva, horseshoeing.....	6.00
Chas. F. Lanman, eggs.....	1.40
Bureau of prisons, laundry.....	15.00
Picket & Roberts, harness repairs.....	1.50
Insular cold storage and ice plant, electric current August, 1903.....	16.00
Total.....	128.33

NOTE.—A large number of other tables, showing stock and material on hand, and the amount of work done for the different departments of the insular government, accompany this report and are on file in the War Department, where they may be consulted.

EXHIBIT E.

REPORT OF THE CHIEF OF THE BUREAU OF ARCHIVES FOR THE FISCAL YEAR ENDING JUNE 30, 1904.

MANILA, P. I., *September 13, 1904.*

HON. JAMES F. SMITH,
Secretary of Public Instruction.

SIR: Having assumed the charge of this office, as ordered by your department on April 11 of present year, in the absence of the proper chief, Mr. M. de Iriarte, who left for America as one of the members of the Philippine Commission appointed by the government to visit the St. Louis Exposition, it is my duty to submit the annual report regarding the work carried out by this office during the fiscal year ending on June 30, 1904.

Since the notarial protocols of the islands were transferred to these archives according to the new notarial law, and since the trade-marks office was annexed to this bureau, the accumulated work pressing upon this office rendered necessary on several occasions to establish extraordinary hours of labor, in order to avoid any delay in delivering the copies of documents contained in said protocols, urgently needed by the interested parties on account of the peremptory orders from the judges of the primary courts, and also to prevent any delay in issuing the trade-marks certificates, which should be furnished at once to avoid the damages that might result either to manufactures or to the treasury.

As stated in the report issued last year, the larger part of the office force was devoted to the preparation and verification of the aforesaid copies, having been necessary to add for that purpose one clerk more to the other three previously working as typewriter operators, and two others for verification.

CLASSIFICATION AND ARRANGEMENT OF DOCUMENTS.

Only three clerks are at present engaged in the classification and filing of documents and papers, and with such a small number the progress made is very creditable, because, in spite of the overturn caused by the last removal of this office, finished in November of last year, in which the laborious toil of a careful organization carried out during four years was completely undone. The following records and documents have been, however, recently classified and filed

again, viz: 2,686 records pertaining to the public works department, relating to bridge construction and repairs, and projects of railway lines construction; 6,200 records, memoranda, and other loose official documents referring to sanitary affairs, public instruction, provincial governments, municipalities, ways and means, and all other sources constituting the local revenues; and 4,600 records pertaining to the finance department, regarding urban and industrial taxes, opium, stamped paper, custom-house dues, personal certificates, and Chinese poll tax.

FORMATION OF INDEX FOR ROYAL CEDULAS AND OFFICIAL LETTERS
ADDRESSED TO THE MADRID GOVERNMENT.

A chronological index of the loose royal cédulas, kept in tin boxes from 1660 to 1696, has been carefully made out, such work requiring a special accuracy on account of the old orthography of such royal cédulas, so different from that now used by Spaniards, and also for their age, which makes the writing quite unintelligible. Another chronological index was also prepared of the official letters addressed to Madrid by the governor-general of these islands, either in reply or in compliance with the foregoing royal cédulas, or making reference to different affairs concerning insular administration from 1678 to 1732.

If it is true that a temporary employee was appointed for this office, that employee was only three months in service, during which 287 records pertaining to the civil government of Manila Province were classified by him, the larger part of the records and other documents remaining yet unclassified.

INFORMATION FURNISHED.

From July 1, 1903, to June 30 of present year the memoranda and data detailed at the end of this report have been furnished by this office.

COPIES OF INSTRUMENTS AND OTHER DOCUMENTS ISSUED, WITH AMOUNT
OF FEES COLLECTED.

Five hundred and seventeen copies of public instruments have been issued, comprising 3,236 sheets and 893,433 words, for which fees amounted to ₱898.58. For searching fees of said instruments the amount of ₱573.30 was collected, and ₱258.50 for certificate fees, making a total of ₱1,730.38.

Sixty-nine copies requested by different chiefs and authorities have also been furnished, comprising 519 sheets and 155,603 words, for which no charge is made according to law.

FORMATION OF INVENTORIES OF PROTOCOLS.

As the provinces of Cebu, Mindoro, Iloilo, Ilocos Sur, Nueva Vizcaya, Negros Oriental, and Negros Occidental remitted their protocols without the proper inventories remitted by the others, such inventories for 322 volumes of protocols received from the aforesaid provinces have been necessarily made out.

**CERTIFICATES OF TRADE-MARKS ISSUED AND PATENTS FILED WITH
AMOUNT OF FEES THEREON.**

Referring to the patents, copyrights, and trade-marks office, the following amounts have been collected, viz: For 117 certificates of cigars and cigarettes trade-mark, ₱5,850; for 134 certificates of sundry goods trade-marks, ₱6,700; for 12 copyrights certificates, ₱12; for 72 patents registered in the United States and filed in this office at the rate of \$1 gold each, ₱144; for 4 certified copies of trade-mark registration, ₱7.86; for 5 trade-marks certificates, ₱2.50; and for 6 certificates of assignments of patents registered in the United States, ₱12; making a total of ₱12,728.36.

INFORMATION FURNISHED BY THE TRADE-MARKS OFFICE.

This office also furnished the required information regarding the trade-mark filed by the attorneys of Messrs. Mason, Fenwick & Lawrence. So far reregistration in accordance with the new law of March 6, 1903, numbered 666, enacted by the Civil Commission for these islands. Referring to the patents obtained by Mr. William Painter, under the Spanish laws, it has been stated that it devolves upon the courts to decide whether the nonpayment of the fees required by such laws, and provided for by circular No. 10 of the military government of these islands on August 30, 1899, may annul the right acquired by said patents.

**ESTABLISHMENT OF A GENERAL REGISTER FOR BRANDS OF LARGE
CATTLE.**

A short time after the undersigned took charge of this office the Act No. 1147 of May 3, 1904, providing for the registration of brands for cattle and branding same, was enacted by the Civil Commission and took effect the 1st of July last.

In compliance with this act, and in order that its operation might commence at once, the undersigned prepared immediately the necessary designs for the printing of the registration books required for this office and for the provincial and municipal treasuries.

Although the registration of brands pertaining to owners of cattle and the work of branding same is commended by this act to the respective municipalities, this office is charged with the duty of keeping a general register of all the brands pertaining to the 40 provinces constituting the population of these islands, with a thousand municipalities, and 250,000 owners of cattle comprised therein, as per data existing in these archives, apart from those belonging to the insular and provincial governments and the non-Christian tribes not considered as municipalities, which represents a considerable increase of work over the unlimited labor already burdening this office since the concentration of the notarial protocols and the annexation of the patents, copyrights, and trade-marks office, as stated above.

SERVICES RENDERED BY THE CLERKS OF THIS BUREAU.

In spite of the progressive increase of work experienced by this office it was not deemed necessary, however, to solicit that the office

force be also increased, and this must not be attributed to the needlessness of such increase, but to the own will of the clerks, who, impulsed by a laudable zeal quite worthy of commendation, continue their work without interruption till 5 o'clock p. m. This represents a workday of seven and a half hours, from 8 o'clock a. m., deducting one and a half hours for lunch.

With reference to said employees, I consider as worthy of special mention D. Rosauro de Guzman and D. José Torres, in the first place, for the intelligent and diligent manner in which they perform their duties, the first named being in charge of the classification and arrangement of all papers on file in these archives and the furnishing of reports and information therefrom, and also looks after the register of the branding of cattle and other animals; Señor Torres is in charge of the trade-marks, patents, and copyrights.

I also wish to mention Señor Simeon Magpantay, Señor Francisco Tolentino, Señor Catalino Tuason, Señor Domingo Aguirre, and Señor Manuel Alveyra, who all perform their duties diligently and cheerfully help each other and do all necessary typewriting, although, with the exception of the first named, they are not regular typewriters nor are they paid to work as such.

Before closing I wish to express my most sincere acknowledgment to all the employees in this bureau, as without their zeal and devotion, as well as their intelligence and diligence, it would not have been possible to overcome the difficulties attending the concentration of the protocols and establishment of the division of trade-marks without any expense whatever to the government.

Very respectfully,

MANUEL M. MIRANDA,
*Acting Chief Bureau of Archives, Patents,
Copyrights, and Trade-Marks.*

Statement of information and data furnished by this bureau during the fiscal year ending June 30, 1904.

1. To the attorney-general, information about the commonable league granted by the Spanish Government to the municipality of Surigao.

2. To the executive secretary, information about the ownership of the thermal springs at Los Baños, province of La Laguna.

3. To same, information about the Mariveles commonable league.

4. To General Sanger, director of census bureau, report and list of newspapers published in these islands.

5. To the bureau of agriculture, information about the ownership of the Sagpon ground at Albay for an agronomical station.

6. To the executive secretary, information about the ground at Iloilo desired by Messrs. Strachan & MacMurray to erect a marine slip.

7. To same, report and copy of the stamp law and the mercantile codes solicited by the provincial treasurer of Samar.

8. To same, information about the ownership of the building called "Beaterio de la Compañia de Jesus."

9. To the attorney-general, report and copies of the laws and regulations governing the concession of the Manila and Dagupan Railway Company.

10. To same, report, plans, and copies of the status and right by which the Manila company "El Varadero de Manila" maintains its works at Cañacao upon the naval reservation.

11. To the executive secretary, information about the ownership of the ground and two buildings occupied by United States forces at Nueva Ecija.

12. To the attorney-general, report and copy of the royal decree about the concession of Manila and Dagupan Railway Company.

13. To the secretary of public instruction, information about the data and papers referring to the creation of the town of Paco (San Fernando de Dilao), requested by Mr. Modesto Reyes, city attorney.

14. To the court of land registration, information about the ownership of the "Isla de Cauti," province of Cebu.

15. To the secretary of finance and justice, information about the amount of the Filipino coin that was issued and put in circulation by the mint during Spanish régime.

16. To the secretary of public instruction, information about literary rights.

17. To the general superintendent of education, information about the names of contractors who sold school furniture to Spanish Government during 1897-98, as well as a number of desks and blackboards furnished to Cavite Province.

18. To the attorney-general, information about the last will of Francisco Serratos, executed by Notary Abraham Garcia y Garcia.

19. To the judge of fourth judicial district, report and certified copy of the last will of D. a Maria Tuason Ortiz.

20. To the secretary of public instruction, report and copy of the original application of Mr. Daniel Earnshaw to construct a marine railway at Cañacao.

21. To the auditor of the Philippine Archipelago, information about the ownership of the building occupied by the guardia civil during the Spanish régime at Maasim, province of Leyte.

22. To the secretary of public instruction, information about the petition made by the division superintendent of schools of the province of Rizal asking for the establishment of two new schools at Malabon, utilizing the ruins of the old cigar factory called "Fábrica de la Princesa."

23. To the general superintendent of education, information about the ownership of school desks at the province of Misamis, as requested by the division superintendent of schools of that province.

24. To Capt. Charles H. Paine, Twenty-ninth Infantry, at Iloilo, information about the ownership of lands occupied by the Agustinos Convent at that province.

25. To the secretary of public instruction, information about the ownership of a ground plot and unfinished building in the province of Ilocos Sur for the establishment of a provincial high school.

26. To the governor of the Philippine Islands, report and copies of documents about the ownership of the island of Paragua.

27. To the bureau of agriculture, information regarding the title to a tract of land at Singalong on which the experimental station is located.

28. To the captain and superintendent division of information, Philippines Constabulary, report and certified copy of a royal order dated August 19, 1892, upon regulations for branding, selling, and slaughtering cattle.

29. To the secretary of the interior, report and copies of plans concerning the boundary lines of San Ramon farm.

30. To the secretary of finance and justice, information about the share of the relief fund for the 1863 earthquake claimed by Ventura Pablo é Isidora.

31. To the attorney-general, information about the ownership of land formerly occupied by the old military hospital on the north side of Ayuntamiento Building.

32. To the secretary of public instruction, information about the ownership of building now used as provincial school at Cavite Province.

33. To the court of land registration, information of the lands at Daraga, province of Albay, purchased by the Spanish Government from Paciano Imperial.

34. To Mr. C. W. Calvin, recorder Philippine Commission, information about the meaning and derivation of certain Philippine place names.

35. To the executive secretary, information about the boundary of Benguet, Pangasinan, and Union provinces.

36. To the chief division of currency, treasury bureau, report and copies of the various laws and executive orders of the Spanish Government about currency in the islands.

37. To the secretary of public instruction, information about the exact boundaries of the provinces of Ambos Camarines and Tayabas, and particularly of the municipalities of Capalonga, Ambos Camarines, and Calauag, Tayabas.

38. To the executive secretary, information about the claim of Mr. G. Girault, amounting to \$22,160 and \$7,352.30, for stones furnished by him for the reconstruction of the "Palacio."

39. To same, information about the jurisdiction of Spanish naval authorities at Isabela de Basilan and Pollok.

40. To same, information about the official spelling of "Maragondong" municipality, Cavite Province.

41. To same, an historical report of the Manila walls.

42. To same, information about the correct spelling of "Calauang" and "Nagcarlang" municipalities of La Laguna Province.

43. To the secretary of public instruction, information about the ownership of building and ground where the provincial building of Bataan Province was formerly located.

44. To the commissioner of public health, information about the ownership of school and tribunal of Culion at the province of Calamianes.

45. To the secretary of public instruction, information about the ownership of "Fábrica de Talipapa," located at Malabon.

46. To the provincial inspector of Lingayen, Pangasinan, information about the ownership of a certain house in the town of Sual.

47. To the executive secretary, a statement of mortgage indebtedness in the provinces of Abra, Nueva Vizcaya, and Negros Oriental.

48. To the executive secretary, information about the property of a certain land on Cabras Island.

49. To the provincial fiscal of Bulacan, report and statement of public buildings.

50. To the attorney-general, information and plan of the land on which the "Casa Real" of Bulacan was located.

51. To the consulting engineer to the Commission, report and copies of Spanish legislation about the "Prestacion Personal."

52. To the attorney-general, information about the property of certain lands at Navotas and Marikina, Rizal Province.

53. To the general superintendent of education, information about the ownership of school building at Camiling, province of Tarlac.

54. To the commissioner of public health, report and copy of the plan showing the government and the city grounds near the railway central station.

55. To the attorney-general, remission of the original documents relating to the government tracts of land at the district of San Fernando de Dilao, requested by same.

56. To the superintendent of education, information about the ownership of Nueva Vizcaya school.

SUPPLEMENTARY REPORT.

MANILA, P. I., *September 13, 1904.*

The Hon. JAMES F. SMITH,
Secretary of Public Instruction.

SIR: As a supplement to the report rendered by this bureau for the year ending on 30th June, ultimo, I have the honor to mention the following work performed by this office during the last two months of July and August:

COPIES OF INSTRUMENTS AND OTHER DOCUMENTS ISSUED, AND FEES THEREON.

Seventy-eight copies of public instruments have been furnished to private individuals, comprising 401 sheets and 108,009 words, fees for which amount to ₱108.14; searching fees on account of the antiquity of documents referred to amount to ₱117.90; and for certification fees, ₱39.

Nine copies have also been furnished to different authorities, comprising 83 sheets and 35,500 words, for which no charge is made, according to law.

CLASSIFICATION AND ARRANGEMENT OF RECORDS.

Eight hundred records of the public works department, referring to construction and repairs of insular, municipal, and provincial buildings; 696 records about sanitary purposes, public-land concessions and public instruction, and 704 records relating to urban and industrial taxes and stamped paper have been properly ordered and classified.

PROTOCOLS RECEIVED.

Two hundred volumes of protocols have been received from the provinces of Abra and Albay, which inventories are not yet made out, for lack of time for their examination and verification.

CERTIFICATES OF TRADE-MARKS ISSUED AND PATENTS FILED, WITH AMOUNT OF FEES THEREON.

During this latter period the following revenue has been collected by the patents, copyrights, and trade-marks office, viz:

For four certificates of cigar and cigarette trade-marks	P 200. 00
For five certificates of miscellaneous trade-marks.....	250. 00
For five copyrights certificates.....	5. 00
For filing fees on four certificates of patents registered in the United States.....	8. 00
For one certified copy of trade-mark registration.....	1. 54
For one certified copy of cigar and cigarette trade-mark.....	. 50
For filing fees on five certificates of assignments of patents registered in the United States.....	10. 00
Total fees collected.....	475. 04

REGISTRATION OF BRANDS OF LARGE CATTLE.

Since the general register for cattle brands was opened the municipal brands of Santa Rosa and Santa Cruz, of La Laguna, Malolos, Baliuag, Paombong, Quingua, Angat, San Miguel and Hagonoy of Bulacan, Taytay of Rizal, San Miguel of Ilocos Norte, and Manapla of Negros Occidental have been registered.

A private brand pertaining to Leoncio Dato, a resident of Malolos municipality, has also been registered.

The municipal brands of Majayjay (La Laguna) and Pantabangan (Nueva Ecija), as well as the private brands remitted by the last municipality, have been returned on account of certain deficiencies thereon, with the necessary instruction for them to be made out according to law.

Very respectfully,

MANUEL M. MIRANDA,
*Acting Chief, Bureau of Archives,
Patents, Copyrights, and Trade-Marks.*

Statement of information and data furnished by this bureau from July 1 to August 31, 1904.

1. To the president of San Miguel de Mayumo, report and certified copy of a plan made by the Spanish Government referring to the Sibul ward at the municipality of San Miguel, Bulacan.
2. To the executive secretary, information about the ownership of building occupied by the "cuartel de la guardia civil" in Zamboanga.
3. To same, information about the ownership of building formerly occupied by the "tercio civil" throughout Mindanao and Sulu.
4. To the president of San Miguel de Mayumo, report and various copies relating to the "Balneario de Sibul."
5. To the secretary of public instruction, information about the ownership of the building known as Pasig "tribunal de naturales."

EXHIBIT F.

REPORT OF THE TRUSTEE OF THE AMERICAN CIRCULATING LIBRARY, COVERING THE PERIOD FROM SEPTEMBER 30, 1903, TO AUGUST 9, 1904.

MANILA, August 5, 1904.

The BOARD OF TRUSTEES,
American Circulating Library, Manila, P. I.

GENTLEMEN: I have the honor to submit my report for the period from the date of my appointment as disbursing officer (September 30, 1903) to present date:

There are two funds to be disbursed: One received from various sources, such as fines, fees, donations, and collections, and is collected and deposited by the librarian monthly with the insular treasurer. The other is the fund received through the regular appropriation acts.

The appropriation act No. 807, July 27, 1903, provides the following funds for the first half of the fiscal year 1904:

Salaries and wages, American Circulating Library of Manila, nineteen hundred and four: Librarian, at one thousand two hundred dollars per annum; assistant librarian, at nine hundred dollars per annum; two employees, at one hundred and twenty dollars per annum each; one thousand one hundred and seventy dollars.

Contingent expenses, American Circulating Library of Manila, nineteen hundred and four: For contingent expenses, including the purchase of ice, coolie hire, rent of library building, installation of electric lights, electric lighting, water tax, and other incidental expenses, eight hundred dollars.

In all, for the American Circulating Library of Manila, one thousand, nine hundred and seventy dollars: *Provided*, That all receipts on every account of the American Circulating Library of Manila shall be duly accounted for to the auditor and deposited by the librarian in the insular treasury: *And provided further*, That a permanent appropriation of all receipts deposited under the preceding provision is hereby made for the purchase of books and pamphlets for the library, such funds to be withdrawn upon requisition of the chairman of the board of trustees.

The permanent fund deposited and on hand September 30, 1903, amounted to ₱1,726.04. The subsequent receipts for this fund, added to this sum, amounted to, on July 31, 1904, ₱4,486.79.

No purchases of books were made until June, 1904, due to the fact that a change of quarters for the library was contemplated. The library was moved from Calle Rosario to the Oriente Building on May 25. On June 5 the last of the books and furniture were in the new quarters.

The present quarters consist of two rooms on the second floor of the Oriente Building, one of which is the general reading room and is a large, commodious, and well-lighted room; the other, somewhat smaller, is used as an office for the librarian and contains the more valuable reference books.

New book stacks were constructed, as the old stacks were found not suitable to transfer to the new building. The library furniture was made in the workshop of the bureau of forestry, such as the library table, newspaper rack, magazine desk and rack, four reading shelves along the windows, Century Dictionary stand, and large book-case for valuable bound periodicals and reference books.

The number of books on hand June 30, 1904, amounted to 21,575. These books have been gifts from persons in the United States who have been interested in the library, mainly through the efforts of Mrs. N. Y. Egbert, the present librarian, who has so ably administered the affairs of the library since its organization, and Mrs. Charles R. Greenleaf, the originator of the library and the first director. A large number of books have been received from the Daughters of the American Revolution and the Army and Navy League.

After the library was moved into its new quarters efforts were made to secure additions to the books and periodicals. Two complete bound sets of the Spanish Manila periodical *Oceania* were secured, dating from its first number in 1877 to May, 1899, when the paper changed hands and became known as *El Progreso*. Two complete sets of this latter publication were received. Lately *El Progreso* has changed its name to *Adelanto*. Bound volumes of other Manila periodicals were received, such as the *Manila Gaceta*, dating from 1868 to —; a complete set of the *Manila Freedom*, and an incomplete set of the *Manila Times*.

An effort is being made to devote a section of the library to books in the Spanish language, in which section shall be contained books by the best Spanish authors, and also translations in Spanish of some of our best American histories, biographical, scientific, and other works of literary merit.

The library has room for at least 10,000 additional volumes, and by the time this additional number is secured it is to be hoped that a suitable library building will be provided. Two very beautiful sites for such a building have been partly promised by the Manila municipal board.

The books and library furniture have been insured for ₱40,000.

The number of books taken out by the patrons of the library during the year amounted to 14,732.

The appropriations and expenditures for the fiscal year 1904 were as follows:

	Salaries and wages	Contingent expenses.	Total.
Appropriation, July 1 to Dec. 31, 1903.....	₱2,340.00	₱1,600.00	₱3,940.00
Expended.....	2,299.00	1,077.57	3,376.57
Balance.....	41.00	522.43	563.43
Appropriation, Jan. to June 30, 1904.....	2,300.00	1,200.00	3,500.00
Expended.....	2,155.00	1,706.19	3,861.19

Of the previous balance, ₱522.43, ₱506.19 was used during the second half of the fiscal year to meet obligations incurred during the first half of the year. This left a balance unexpended June 30, 1904, of ₱16.24. The printing and binding for the fiscal year amounted to ₱69.

The books purchased during June and July were as follows:

45 volumes Oceania, 1877 to 1899.....	P 455.00
6 volumes El Progreso, 1399 to 1504.....	300.00
5 volumes Diccionario Barcia.....	8.00
40 volumes Gaceta de Manila.....	175.00
9 volumes Spanish books.....	22.30
22 volumes Spanish books.....	6.00
Total.....	1,006.30

The bound sets of the American periodicals were presented to the library without charge.

The duties of disbursing officer for the library will in future be attended to by Mr. Louis Lang, whose office is in the ayuntamiento. The first property return for the library was rendered to the auditor June 30, 1904. The employees of the library made their first civil-service reports of services rendered June 30, 1904.

Two complete sets of the text-books used in the Philippine schools have been ordered sent to the library by the superintendent of public instruction of the Philippine Islands.

Lists of books for purchase in the United States are being prepared and will be ordered in the near future.

Very respectfully,

GEORGE P. AIERN,
Disbursing Officer American Circulating Library of Manila,

EXHIBIT G.

REPORT OF THE EDITOR OF THE OFFICIAL GAZETTE, COVERING THE PERIOD FROM JUNE 30, 1903, TO AUGUST 31, 1904.

DEPARTMENT OF PUBLIC INSTRUCTION,
OFFICE OF THE OFFICIAL GAZETTE,
Manila, P. I., September 10, 1904.

SIR: In compliance with your communication of July 27, 1904, I have the honor to submit herewith a report of this office for the fiscal year ending June 30, 1904, with supplementary statement bringing the same up to August 31, 1904.

CHARACTER OF THE GAZETTE.

The Official Gazette is the official organ of the insular government, authorized by Act No. 453 of the Philippine Commission, enacted September 2, 1902. This act was subsequently amended by Act No. 664 of March 4, 1903, and by Act No. 971 of November 2, 1903, making additional provisions relative to the material to be published and providing for a more extensive free distribution of the Gazette.

The Gazette is published weekly in two parts, one part in English and the other in Spanish. Each part is issued separately, and is intended to be a complete record of government action, legislative, executive, and judicial; differing in this respect from all other gazettes which the undersigned has thus far had occasion to examine. Files of the gazettes of most of the British colonies in the Orient are on file in this office, and an examination of their contents shows them to be merely publications of the executive branch of the government. This feature of our Gazette is believed to be a distinct improvement on the methods of other lands. While involving an additional expense at the present time, this will steadily lessen as the volume of legislative and executive changes diminish with time and the passage of the civil government of these islands from the formative stage.

The Gazette contains the acts and public resolutions of the Commission, proclamations of the Secretary of War and of the civil governor, general orders of the War Department bearing on the Philippines, executive orders of the civil governor, such decisions of the supreme court, court of customs appeals, and the court of land registrations as are deemed of sufficient importance to be published, the opinions of the attorney-general, and such other material as may be designated for publication by the secretary of public instruction, or recommended for publication by the editor and approved by the secretary of public instruction.

In addition to the laws enacted by the Commission, its resolutions of a public nature, the executive orders of the civil governor, decisions of the supreme court and opinions of the attorney-general, which are published as soon as issued from the several offices and appear as a rule in each number, a vast amount of other matter has been published during the year. First and foremost is the statistical matter. The first number of each month is made a statistical number. In it will be found monthly reports on vital statistics by the insular board of health, the meteorological report of the weather bureau, monthly financial statements of the Banco Español-Filipino, monthly reports of the police and fire departments of the city of Manila, and a great deal of statistical data from almost every bureau of the government.

Another feature of the Gazette is the publication of the administrative orders and circulars of the various bureaus. From the beginning the administrative orders, tariff decision circulars, Chinese and immigration circulars, and other orders and rulings of the bureau of customs and immigration, have been published weekly. During the year the plan has been extended so as to include all administrative circulars issued by the bureaus of coast guard and transportation, internal revenue, constabulary, and education. The inclusion of the publications of the two latter is most important, since American teachers and constabulary officers will for some years to come constitute by far the most important elements in the English subscription list.

The latter part of each number contains notices of civil-service examinations, weekly lists of appointments by the civil governor and by the heads of bureaus and offices, resignations and removals. The number closes with a directory of government offices. This directory gives the office locations of all departments, bureaus, and offices of the insular, provincial, and military governments, followed by the names of their heads or acting heads. Through recent arrangements with the civil-service board this directory is kept corrected weekly, and is the only strictly up-to-date list published in the islands.

HEADNOTES AND FOOTNOTES.

What is believed to be a distinct improvement in style of publication has lately been inaugurated by the introduction of headnotes and footnotes. Titles or headnotes have always been prefixed to the acts of the Commission and decisions of the supreme court. This plan has been extended to include the preparation of syllabi or headnotes to all matters published, thus enabling the reader to ascertain at a glance the gist of each opinion, resolution, circular, etc., and also reducing by one-half the labor of indexing. At the same time the convenience of the Gazette as a work for reference has been further increased by the introduction of footnotes. Early in June this office began the annotation of amendatory acts, indicating by means of footnotes the page of the Gazette at which the act amended might be found. This system has been extended so as to include the annotation of all opinions, executive orders, resolutions, decisions, circulars, and in fact everything published, so that the reader is never left in ignorance as to the exact page of a former Gazette at which may be found any act, resolution, executive order, or decision mentioned in the current number.

INDICES.

Act No. 453 provided for the publication of semiannual indices, or two indices for each volume of the Gazette, and in the case of volume 1 a third index was prepared for the first 16 numbers from September 10, 1902, to the end of the year. As a volume is paged consecutively throughout, and generally will be included in one binding, this method of indexing would prove decidedly inconvenient to those having occasion to consult its pages. For this reason arrangements have been made with the approval of the secretary of public instruction looking to the preparation of a general index for each volume, so that in future, beginning with the current volume, a special index will be published for the first six months of each volume, and at the end of the calendar year a general index covering the whole volume.

The index for the last six months of the year 1903 was published in June, 1904, and that for the first semester of 1904 has been sent to press and will be forwarded to subscribers within the next three weeks. Besides the semiannual indices prepared by the editor, this office has recently published an index to the decisions of the supreme court contained in volume 1, the work of Justice E. Finley Johnson of the supreme court. This excellent work is exhaustive of the subject and a most valuable contribution to the legal literature of these islands. Justice Johnson has kindly consented to prepare a like index for the current volume.

TRANSFER OF OFFICE.

During the first part of May the office was transferred from its former location in the Santa Potenciana Building, Intramuros, to its present quarters on the third floor of the Oriente Building, Plaza Calderon de la Barca, Binondo. For want of suitable accommodations in this building the back files of the Gazette remained stored in the Potenciana Building until the latter part of August, when they were transferred to the bodega connected with this building. The office consists of four comfortable rooms, ample for all present needs. The present personnel includes the editor, one clerk class 8, in charge of the statistical division, and four native clerks at small salaries. In April, 1904, the undersigned was recommended by the general superintendent of schools to relieve Editor Max L. McCollough, about to depart for the United States upon leave of absence, and was thereupon detailed to that duty by the secretary of public instruction. Mr. McCollough departed May 7, when the undersigned assumed entire charge of this office. Dr. Xerez-Burgos, chief of the statistical division and practically assistant editor, also departed on leave August 1, thus leaving the office for the present very poorly equipped. The office force, even when all are on duty, is hardly adequate to properly perform the necessary work. Doctor Burgos has supervision of the Gazette in Spanish, one clerk attends to the correspondence, another keeps the subscription accounts, while the remaining two attend to the mailing list. These duties are alone sufficient to properly occupy their time. There is, however, a large amount of incidental work, such as translating matter for publication, preparing the semiannual indices, reading proof,

carrying copy, proof, or belated matter to the public printing office, etc., which make such demands on the force as to seriously interfere with its regular duties and render an increase of personnel desirable. Doctor Burgos, as chief of the division of statistics, has nearly completed the labors incident to that position. Fairly complete data have been collected of the population of all barrios in the islands, with their distances from pueblo centers. An index is now in course of preparation which will when completed render this material available to the public.

PRINTING.

The Official Gazette is printed at the bureau of public printing in Manila. Seven hundred copies of each number are printed in English and 2,000 in Spanish. The circulation, aside from such copies as are mailed to government offices, is at present confined mainly to business houses, American attorneys, and constabulary officers. Two circulars have recently been prepared—the one to Filipino attorneys, directing their attention to the necessity of keeping informed of the latest action of government, legislative, executive, and judicial, and the other to American teachers in the pueblos and to municipal authorities, pressing the advisability of subscription to the English edition. The circular to attorneys was mailed but a short time since, so that its full effects are not yet apparent, but the increased subscription already acquired by this means has been very gratifying.

The circular to teachers and municipalities has not yet been issued, but will certainly result in a largely increased circulation. In most of the municipalities the officers, still as a rule unacquainted with the English language, are beginning to depend for clerical assistance upon the native schoolmasters and other young men educated in the public schools and who as a rule prefer English to Spanish. Within a short time the Gazette, in both languages, will be required at all presidencias, and then will come a demand for all back files of the English Gazette. Municipal officers are beginning to realize that it will be more convenient and equally cheap to subscribe at once for the English edition.

The material designed for publication, after being collected, translated, and edited, is sent to the bureau of public printing. This material is received by the public printer on Wednesday of each week, the proof is returned to the office of the Gazette where it is read and corrected, and the Gazettes are ready for mailing by the following Tuesday, unless the printing is delayed by some special order from the civil governor or a member of the Commission, such special order taking precedence over all other work.

DISTRIBUTION.

Immediately upon receipt of the Gazette from the public printer copies of the same are mailed to the subscribers. These subscribers are divided into the following classes: (1) Those who, by provision of Acts Nos. 453, 664, and 971, receive the Gazette free, including the President of the United States and each member of his Cabinet; the Civil Service Commission; the Superintendent of Documents,

Washington, D. C.; the commanding general of the army in the Philippines; the commanding general of each department and the judge-advocate of the Division of the Philippines; the admiral on this station; the commandant of the naval station; the civil governor; members of the Philippine Commission; justices of the supreme court; judges of other courts of record; justices of the peace; the heads of the various bureaus and offices under the insular government, and such other officers in said bureaus and offices as may be designated by the civil governor or the secretary of the executive department under which the particular bureau or office is established. (2) Those who, by provision of law, are subscribers to the Gazette, paying for the same out of public funds, including all provincial and municipal governments throughout the islands. (3) Those who voluntarily subscribe to the Gazette. (4) Exchanges authorized by the secretary of public instruction.

The total number of subscribers to the Gazette on June 30, 1904, was 1,944. Of this number 964 were on the free list, 721 from provincial and municipal governments, and 251 from private subscribers.

By far the largest proportion of Gazettes sent to subscribers of the above-mentioned first class—namely, 638 copies—are sent to justices of the peace, every justice within the islands receiving them regularly, so that there is sent to each municipal center at least two copies weekly, one to the municipal presidencia and the other to the resident justice. With few exceptions the Gazette sent to justices and municipalities are in Spanish, the present generation of municipal office holders having been educated under the Spanish régime. But there are already indications that English copies will shortly be required in the more progressive pueblos.

COLLECTIONS.

It was provided by Act No. 453 that each provincial and municipal government should subscribe to the Official Gazette and should pay for same out of the provincial or municipal funds. Remittances from municipalities direct to this office proving unsatisfactory, a system was, during the fiscal year 1903, proposed and approved by the secretary of public instruction and the treasurer of the Philippine Islands whereby each provincial treasurer was directed to collect the subscriptions from the municipalities in his province and remit the same to the editor. Receipts to each municipal treasurer, with stubs for provincial treasurer attached, together with vouchers and warrants, are then signed by the latter and sent to the provincial treasurer, who, after detaching the receipt stubs, forwards the remaining papers to the proper pueblos.

EXCHANGES.

Act No. 664 provides for an exchange of the Official Gazette with similar publications of other lands. The editor, with the approval of the secretary of public instruction, during the fiscal year ending June 30, 1903, communicated with the editor of various official and semiofficial gazettes and periodicals published in the Orient and in Australia. As a result exchanges were effected with four of these publications. During the past fiscal year the number of exchanges has been increased to thirteen. There are now received, indexed, and kept on

file in this office copies of the Straits Budget, Singapore; the Englishman, Calcutta, India; Capital, Calcutta, India; the Indian Municipal Journal and Sanitary Record, Bombay, India; the Queensland Gazette, Brisbane, Australia; the Assam Gazette; the Burma Gazette; the Chamber of Commerce Journal, London, England; the Monthly Bulletin of the International Bureau of American Republics; the Harvard Law Review; the Calcutta Gazette; the Central Provinces Gazette, Nagpur, India, and the Bombay Gazette, Bombay, India.

In these periodicals of the British colonial possessions appear numerous articles from the pens of men of sound judgment and ripe experience on questions similar to those now confronting the American administrator in the Philippines. These articles are indexed and kept available for reference. In other ways there is much to be learned from a perusal of these exchanges. The British colonial gazettes do not publish decisions of the judiciary nor opinions of the attorney-general, but on the other hand contain several classes of matter not to be found in the Official Gazette. All sorts of legal notices are published, the income from which must be considerable. The descriptions of notices differ with the different gazettes. It is, however, noticed that the publication of bankruptcy and insolvency notices, certificates of incorporation, and (in the case of corporations possessing franchises) articles of incorporation is common to all of them. This is a feature which might with profit be adopted by the Official Gazette.

CONCLUSION.

The Gazette is received weekly by officers and employees in every part of the islands. It is the organ by which the insular government announces its laws, orders, proclamations, and decisions. Files of the Gazette are a part of the official property of every government office of importance and are turned over by each retiring incumbent to his successor. It is subscribed to by 19 city and college libraries in the United States, and is received in China, the Straits Settlements, Australia, India, Spain, and England. Additional exchanges should be established with other European colonies in the Orient.

It is believed that certain amendments to Act No. 453, as amended, are essential to a proper increase in the circulation of the Gazette. It is recommended that provision be made for (1) a reduced rate to municipalities subscribing to the Gazette in both languages; (2) the discontinuance of the publication of the Spanish translation of the laws in pamphlet and quarterly form; (3) bureau bulletins should be published in the Gazette and the publication in other form strictly limited; (4) the same provision with respect to the serial orders, circulars, etc., of bureaus.

The time is rapidly approaching when the number of English-reading persons engaged in the various presidencias throughout the islands will outnumber the Spanish-reading element. If the rate for both editions were placed at ₱20 per annum it is believed that an increase of from 30 to 50 per cent in the revenues from municipalities would result. And again, even those who do not read English realize that from January 1, 1906, the date on which English becomes the legal language, they will require the English Gazette, and the back volumes of the Spanish edition would be no longer convenient for reference.

The publication of the laws in advance sheets and quarterly form materially affects the circulation of the Gazette, the laws being generally issued in advance-sheet form prior to the appearance of the same in the Gazette.

The enforced publication of all bureau circulars, general orders, etc., in the Gazette would result in a large subscription on the part of government employees, they being generally more interested in the doings of their own bureaus than in the more general transactions of government.

CONTINUATION TO AUGUST 31, 1904.

From June 30, 1904, to August 31, 1904, the total number of subscribers to the Gazette advanced from 1,944 to 1,967, and the net increase in paid subscriptions by private persons was 23, an advance of 9½ per cent upon the number upon the list on June 30.

Annexed hereto is a statement of subscriptions and collections for the fiscal year ending June 30, 1904, with continuation to August 31, 1904.

Very respectfully,

NORTON F. BRAND,
Acting Editor Official Gazette.

Hon. JAMES F. SMITH,
Secretary of Public Instruction, Manila, P. I.

Status of collection for the Official Gazette to August 31, 1904.

	Paid, Volumes I and II.		
	In full.	More or less.	Unpaid.
Provincial governments (72):			
Number paid up.....	68	2	
Number delinquent.....			2
Number discontinued (8).....			
Municipal governments (657):			
Number paid up.....	591	48	
Number delinquent.....			18
Number discontinued (301).....			
Private subscribers (271):			
Number paid up.....	228	23	
Number delinquent.....			20
Number discontinued (50).....			
Total.....	887	73	40

Percentage paid up, 95—96 per cent.

Sample copies of the Official Gazette.

	To whom sent.	Number sent.		To whom sent.	Subscribers.	
		English.	Spanish.		English.	Spanish.
United States:						
City libraries, firms, etc.....	152	320		19	19	
Philippine Islands:						
Government bureaus.....	1	a 3	a 3			
Attorneys.....	{ 35	35		2	2	
	185		185	20		20
Foreign countries:						
Gazette publishers, etc.....	{ 22	63		12	12	b 1
	10		20			

a Official subscriptions.

b Exchange.

Subscribers to Official Gazette.

	Number of copies.		Total English and Spanish.
	English.	Spanish.	
Free:			
Insular government offices.....	187	38	.....
Justices of the peace.....	4	645	.....
Provincial governments.....		40	.....
Total	191	713	904
Additional list—			
In United States.....	49	2	.....
In Philippine Islands (army and navy)	10		.....
Total	59	2	61
Grand total			961
Pay list:			
Provincial governments.....	60	12	.....
Municipal governments.....	1	656	.....
Total	61	668	729
Private subscribers—			
In Philippine Islands.....	104	132	.....
In United States.....	22	1	.....
In foreign countries.....	1	1	.....
Total	127	134	271
Grand total			1,000

Total number of subscribers: 961 + 1,000 = 1,961.
 Percentage receiving copies free, 49.

MANILA, P. I., August 31, 1904.

NORTON F. BRAND,
Acting Editor of Official Gazette.

REPORT
OF THE
CHIEF OF THE BUREAU OF INSULAR AFFAIRS
TO THE
SECRETARY OF WAR.

WAR DEPARTMENT,
BUREAU OF INSULAR AFFAIRS,
Washington, October 31, 1904.

SIR: I have the honor to submit the following report of the Bureau of Insular Affairs for the year ended October 31, 1904.

My last annual report set forth the Philippine legislation enacted by Congress up to the close of that report, the results of the operation of such legislation, and epitomized the work accomplished in the Bureau during the year.

**PHILIPPINE LEGISLATION ENACTED BY AND AWAITING THE
ACTION OF CONGRESS.**

Attention has been called in the last year's report to the Philippine tariff act; the act to provide for the administration of civil government in the Philippine Islands; the act to establish a standard of value and to provide for a currency system, and the act to provide for the detail of regular officers to command the Philippines constabulary, and the combined use of the native Philippine scouts with the constabulary. All of these were far reaching and beneficent in their operation and steps in the right direction and have already permitted the establishment of good government in the Archipelago.

Something more is necessary. Secretary Root has often tersely pointed out that to create a good government and insure prosperity in the Philippine Islands under the conditions then existing, it was necessary for the United States to build this government from the very ground up. It has been done, but there are two important things left for Congress to do to complete this building up and to make the Philippine Islands self-supporting and prosperous.

The first is the reduction of the Dingley tariff rates on Philippine products coming into the United States; the second, the granting of the charter authority to the Philippine government to insure the inauguration and maintenance of adequate transportation facilities throughout the islands.

The last report of the Philippine Commission recommended that Congress enact legislation for the benefit of the Philippine Islands in the following language:

First. Legislation which shall reduce the tariff on sugar and tobacco imported from the Philippine Islands to not more than 25 per cent of the present Dingley rates on tobacco and sugar imported from foreign countries.

Second. Legislation authorizing the Philippine Commission, with the approval of the President and the Secretary of War, to issue bonds from time to time, which shall not in the aggregate sum exceed \$5,000,000, for the making of future permanent improvements.

Third. An amendment to section 66 of an act entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," by which the consent of Congress to issue the bonds therein provided for may not be required.

Fourth. Legislation providing that all bonds authorized to be issued by the Philippine government or any provincial or municipal government thereof by act of Congress shall be made exempt not only from Federal and Philippine taxation, but from State, county, and municipal taxation in the United States.

Fifth. That control over the shipping in the trade between the islands shall be left wholly to the discretion of the Philippine Commission, subject to the approval of the President and the Secretary of War.

Sixth. That the application of the United States coastwise navigation laws to the trade between the Philippine Islands and the mainland of the United States be postponed by Congressional action until July 1, 1909; or, in the alternative, that the coastwise laws of the United States be not made applicable to the trade between the islands and the mainland of the United States, except with a proviso or condition that the rates upon imports from the Philippine Islands into the United States shall not pay duty in excess of 25 per cent of the rates on such merchandise imposed by the Dingley tariff.

Seventh. That authority be given by Congressional act to the Philippine Commission, with the approval of the President and the Secretary of War, to encourage the investment of capital in the construction of railroads for the Philippine Islands by accompanying the grants of franchises to build railroads, in cases where it is deemed necessary, with a guaranty by the Philippine government of income on the amount of the investment, to be fixed in advance in the act of guaranty, the amount of income guaranteed not to exceed annually 4 per cent of the fixed principal.

Eighth. That the amount of land which may be acquired, owned, and used for agricultural purposes in the Philippines by any individual or corporation shall be extended to 25,000 acres.

Ninth. That the clause which forbids the filing of more than one mining claim by the same individual or association upon a lode or deposit be repealed.

Tenth. That the provisions of the Philippine act entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," which apply to mining claims, and the procedure in filing them, shall be so amended that only the metric system of distances shall be used, and shall also be so amended that mining claims shall be filed, whether properly executed according to law or not, the effect of their execution and record to be left to future adjudication.

The purpose of the first of these recommendations is to gain a market for Philippine products, which are at present suffering as a result of change of sovereignty and the rise of tariff duties in the neighboring oriental countries which used to buy largely from the Philippines. The Filipino naturally looks to the country to which he belongs for the same relief as was granted to the inhabitants of Hawaii and Porto Rico on their acquisition.

It is believed that such legislation would harm no competitive industries in the United States. However, there has been and is apprehension on the part of the sugar and tobacco interests that free trade between the islands and the United States would result to the detriment of these interests.

In the last Congress this reiterated leading recommendation of the Philippine Commission, which had twice received the earnest indorsement of the Secretary of War and two Presidents, gained favorable consideration in that it passed the House, and in the Senate was

amended so as to provide for free entry of all products of the Philippine Islands into the United States, except sugar and tobacco, on which there was to be collected 50 per cent of the original Dingley tariff duties. This bill failed to reach a vote in the Senate, due only to the peculiar legislative condition existing at the end of the last session of Congress, which prevented its consideration on account of the prior claim, under the rules, of the statehood act. This bill was called the "Lodge bill."

Twenty-five per cent of the Dingley tariff duties in itself will furnish, it is believed, the full protection demanded by the apprehensive interests. But in addition to that protection should be considered the fact that by recent act of Congress after July 1, 1906, trade between the islands and the United States will be confined to American bottoms, with the resultant increase of freight rates to the Philippines, which will probably absorb or equal any amount conceded in tariff reduction, not to mention the cost of the long haul between the Philippines and the United States.

With the exception of the first and eighth recommendations of the Philippine Commission, these foregoing recommendations have all been provided for in the bill which has passed the House, been reported favorably by the Senate Committee on the Philippine Islands, and is on the Senate Calendar as unfinished business. (See Appendix.)

The necessity for the second recommendation is self-evident. The Philippines are undeveloped, and the current revenues of the government are not sufficient to build roads, light-houses, improve ports, and otherwise make available the rich resources of the islands. Already some \$6,000,000 have been appropriated for these purposes, the burden of which should have been divided among two, three, or four generations, yet needed improvements must wait for years unless authority be granted to borrow money for these purposes. The increased revenues that will result from the improvements contemplated will probably pay the interest on the bonds and provide a sinking fund with which to redeem them at maturity.

As to the third recommendation, section 66 of the act of Congress of July 1, 1902, reads as follows:

That for the purpose of providing funds to construct sewers, to provide adequate sewer and drainage facilities, to secure a sufficient supply of water, and to provide all kinds of municipal betterments and improvements in municipalities, the government of the Philippine Islands, under such limitations, terms, and conditions as it may prescribe, with the consent and approval of the President and Congress of the United States, may permit any municipality of said islands to incur indebtedness, borrow money, and to issue and sell (at not less than par value in gold coin of the United States, registered or coupon bonds in such amount and payable at such time as may be determined by the government of said islands, with interest thereon not to exceed five per centum per annum: *Provided*, That the entire indebtedness of any municipality under this section shall not exceed five per centum of the assessed valuation of the property in said municipality, and any obligation in excess of such limit shall be null and void.

It will be noticed that no municipality (none of which now in the Philippines have any bonded indebtedness such as obtains in all cities throughout the United States) could issue bonds for needed improvements without in each case gaining the consent of Congress. This would involve long delay and neglect of important matters, the detail of which will be understood by the Philippine Commission.

The experience of other nations in the development of distant possessions has shown that the best results are obtained by selecting the

best possible men for the government of said possessions, bestowing upon them a large measure of authority, and then holding them to a strict accountability for the manner in which they exercise the same.

The fourth recommendation, asking that all kinds of Philippine bonds be exempt from taxation, both Federal and Philippine, as well as State, county, and municipal in the United States, is for the self-evident purpose of issuing Philippine bonds at the best rate of interest. It is pertinent to quote an extract from the report of the Senate Committee on the Philippines accompanying the before-mentioned pending Senate bill (see Appendix):

It is entirely competent and proper, therefore, for Congress to exempt these bonds from State, county, and city taxation in the United States. This exemption will secure to the Philippine government a much lower rate of interest than if the bonds were taxable, and the exemption will in effect deprive no State or county of any additional income from taxation, because if the bonds were purchased by private persons in whose hands they would be subject to taxation, experience shows that they would not be returned for taxation. If they were exempt, however, they may be purchased by companies who are obliged to make public their assets and who can not hold taxable personal property without paying tax on it. This makes a very good market for bonds among trust companies, administrators, and other persons whose securities are constantly open to public and official inspection for the purpose of taxation. As such trust companies, administrators, and other persons control large capital they greatly increase the demand for the bonds and necessarily reduce the interest thereon.

The fifth and sixth recommendations have been given full consideration by Congress, and have resulted in the following acts:

[PUBLIC—No. 114.]

AN ACT To regulate shipping in trade between ports of the United States and ports or places in the Philippine Archipelago, between ports or places in the Philippine Archipelago, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That on and after July first, nineteen hundred and six, no merchandise except supplies for the Army or Navy shall be transported by sea, under penalty of forfeiture thereof, between ports of the United States and ports or places in the Philippine Archipelago, directly or via a foreign port, or for any part of the voyage, in any other vessel than a vessel of the United States. But this section shall not be construed to prohibit the sailing of any foreign vessel between any port of the United States and any port or place in the Philippine Archipelago: *Provided*, That no merchandise other than that imported in such vessel from some foreign port which has been specified on the manifest as for another port, and which shall not have been unloaded, shall be carried between a port of the United States and a port or place in the Philippine Archipelago.

SEC. 2. That on and after July first, nineteen hundred and six, no foreign vessel shall transport passengers between ports of the United States and ports or places in the Philippine Archipelago, either directly or by way of a foreign port, under a penalty of two hundred dollars for each passenger so transported and landed.

SEC. 3. That sections one and two of this act shall not apply to the transportation of merchandise or passengers between ports or places in the Philippine Archipelago. Until Congress shall have authorized the registry as vessels of the United States of vessels owned in the Philippine Archipelago the government of the Philippine Islands is hereby authorized to adopt, from time to time, and enforce regulations governing the transportation of merchandise and passengers between ports or places in the Philippine Archipelago.

SEC. 4. That sections one and two of this act shall not apply to the voyage of a vessel between a port of the United States and a port or place in the Philippine Archipelago begun before July first, nineteen hundred and six.

SEC. 5. That sections one and two of this act shall not apply to vessels owned by the United States.

SEC. 6. That on and after the passage of this act the same tonnage taxes shall be levied, collected, and paid upon all foreign vessels coming into the United States from the Philippine Archipelago which are required by law to be levied, collected, and paid upon vessels coming into the United States from foreign countries: *Provided, however*, That until July first, nineteen hundred and six, the provisions of law restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from one

port of the United States to another port of the United States shall not be applicable to foreign vessels engaging in trade between the Philippine Archipelago and the United States: *And provided further*, That the Philippine Commission shall be authorized and empowered to issue licenses to engage in lighterage or other exclusively harbor business to vessels or other craft actually engaged in such business at the date of the passage of this act, and to vessels or other craft built in the Philippine Islands or in the United States and owned by citizens of the United States or by inhabitants of the Philippine Islands.

SEC. 7. That this act shall not be construed to impair or affect any privilege guaranteed to Spanish ships and merchandise by the treaty of peace between the United States and Spain signed at the city of Paris on December tenth, eighteen hundred and ninety-eight, and ratified April eleventh, eighteen hundred and ninety-nine.

SEC. 8. That the Secretary of Commerce and Labor shall, from time to time, issue regulations for the enforcement of this act, except as otherwise provided in section three: *Provided*, That such of the navigation laws of the United States as are in force in the Philippine Archipelago in regard to vessels arriving in the Philippine Islands from the mainland territory and other insular possessions of the United States shall continue to be administered by the proper officials of the government of the Philippine Islands.

Approved, April 15, 1904.

[PUBLIC—No. 198.]

AN ACT To require the employment of vessels of the United States for public purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That vessels of the United States, or belonging to the United States, and no others, shall be employed in the transportation by sea of coal, provisions, fodder, or supplies of any description, purchased pursuant to law, for the use of the Army or Navy unless the President shall find that the rates of freight charges by said vessels are excessive and unreasonable, in which case contracts shall be made under the law as it now exists: *Provided*, That no greater charges be made by such vessels for transportation of articles for the use of the said Army and Navy than are made by such vessels for transportation of like goods for private parties or companies.

SEC. 2. That this act shall take effect sixty days after its passage.

Approved, April 28, 1904.

RAILROADS.

The seventh recommendation has taken shape in section 4 of the pending Senate bill (see Appendix) as follows:

SEC. 4. That for the purpose of aiding in the construction, equipment, operation, and maintenance of railroads using steam, electricity, or other power, in the Philippine Islands, the general government thereof is authorized to guarantee an income of not exceeding five per centum upon cash capital actually invested in the construction and equipment of such railroads, or any part thereof, the guaranty to be in such form and under such provisions requiring repayment of any sum paid thereunder as said government shall deem to be to the public interest, and the act making the guaranty shall declare the proper rules for ascertaining clearly the cash capital actually invested in said railroads and the net income actually received on said capital so invested, and shall set forth the limit of invested capital to which said guaranty shall apply, and shall provide for supervision by said government of the conduct of the finances of the road and its location, construction, and maintenance, as well as by the presence in the board of directors of two or more government directors, the number and manner of their selection to be determined by law, as also by such further supervision, through the auditing, engineering, and railroad bureaus of said government, as the public interest shall require. The said guaranty may be made in the form of a guaranty of interest on bonds or of income on preferred or common stock, or in such other form as may be determined by said government, and shall be made on such other terms and conditions as said government shall approve: *Provided, however*, That the total annual contingent liability of said government under the guaranties authorized by this section shall not at any time exceed the sum of one million five hundred thousand dollars, and that no such guaranty shall continue for a longer period than thirty years.

The report made by the House Committee on Insular Affairs discusses the above section as follows:

There are two ways in which the Philippine government might aid in the building of railroads, namely, one by the grant of lands, the other by a guaranty upon capital invested.

Your committee believe, with the Secretary of War and the Commission, that for the Philippine Islands it will be much better to have the railroads constructed under a guaranty upon actual investment, and to have the lands held for the people of the archipelago.

Your committee believe that the building of railroads is the most important improvement possible for the Philippine Islands. The Secretary of War testified before your committee that he knew nothing else which in importance is to be compared with it. More than all other influences combined, a comprehensive railroad system will do away with the embarrassing variety of dialects and tribes in the islands and bring about an early unification of the inhabitants—a condition absolutely essential to their highest prosperity and development. Railroads would greatly enhance the value of the lands and other property in the islands, enlarge their trade, and increase the intelligence of the people.

The history of railroads in the English and the Spanish possessions shows clearly that capital will not be invested in their construction without some special inducement in the way of a guaranteed income. One-third of the total 27,000 miles of railroads in India are guaranteed roads; the remaining two-thirds are railroads directly constructed by the government.

In India there was no exact limit of the amount of investment to be guaranteed, and questions arose as to the capital actually invested and as to the net income. Such questions will be avoided in the Philippines under the provisions of the present section, because of the limitation in the amount of income guaranteed, and the consequent limitation of the amount of capital invested. Under this section both the government and the investor will know exactly what the government must pay.

* * * * *

The Secretary gives it as his opinion, based upon his experience as governor of the islands, that in order to secure the construction of railroads in the islands the provisions of the present section must be enacted into law, or else the government of the Philippine Islands itself must be authorized to undertake their construction. The Secretary does not favor the construction of railroads by the Philippine government, and informed your committee that he suggested it only as a possible alternative.

It is gratifying to report that much interest has been shown on the part of serious American capital in the possibility of railroads in the Philippine Islands. This interest is undoubtedly predicated upon the assumption of the passage of this bill.

There is no doubt but what the Secretary of War and the Philippine government, if this bill does pass in its present shape, will have a chance to choose the most advantageous proposition of competing American capital to finance, build, and operate the railroad system that is at present essential for the practical development of the Philippines.

It has been authoritatively reported that a New York financial concern has acquired in the last few months the control from English owners of the Manila-Dagupan Railroad, which should form part of the proposed railway system in the islands.

The eighth recommendation asks for a modification of the act of July 1, 1902, which limits the amount of land which any corporation or association of persons may hold to 1,024 hectares (2,529.29 acres), so that the amount may be increased to 25,000 acres, as the former amount, upon trial, has been found to be insufficient to induce capital to invest and devote itself to agriculture on a large scale. This would tend to develop the large unsettled areas that exist, for instance, in Mindanao.

The small amount of land prescribed in the act is not sufficient to justify the importation and installation of modern machinery and methods, and the same reasons apply to the ninth recommendation, which would increase the area of mining claims that may be acquired.

The tenth recommendation is intended simply to unify the system of land measurements as prescribed in the act of July 1, 1902, as both acres and hectares, feet and meters are employed in the language of

the act. The chief of the bureau of public lands and mining bureau earnestly recommends this change, which is only one of form and convenience.

PHILIPPINES CURRENCY.

At the date of my last annual report, October 31, 1903, it was shown that a total in pesos, subsidiary and minor coinage, of ₱17,881,650 had been coined and shipped to the islands; that the purchase of silver bullion had been suspended, and that the Philippine Commission had determined that this amount of pesos, supplemented by the recoinage of Spanish-Filipino coins, which they estimated was some 12,000,000 pesos, would be adequate for the inauguration of the coinage circulation in the Philippines. Experience in the past year has proved the accuracy of the Commission's estimate, especially as to the amount of Spanish-Filipino coins.

There have already been withdrawn from circulation, shipped to the United States, recoined into the new currency, and reshipped to the islands and there entered into circulation, or in transit or awaiting shipment, a total of 11,723,000 Spanish-Filipino pesos, as follows:

Date.	Invoice.	Face value in Spanish-Filipino currency.	Value in Philippine currency at prevailing ratio date of shipment.	Value in United States currency.
		<i>P/s.</i>		
Nov. 13, 1903	(Pesos..... 90,000.00 Med. pesos..... 510,000.00 Pesos..... 200,000.00 Med. pesos..... 110,000.00 Peseta..... 90,000.00 Pesos..... 500,000.00	600,000.00	₱521,739.13	\$280,869.56
Dec. 11, 1903	(Med. pesos..... 1,000,000.00 Peseta..... 52,000.00 Med. peseta..... 4,000.00 Pesos..... 310,465.00 Med. pesos..... 755,000.00 Peseta..... 22,000.00 Med. peseta..... 2,468.50 Mixed..... 66.50	400,000.00	347,826.09	173,913.05
Feb. 10, 1904	(Pesos..... 585,000.00 Med. pesos..... 625,000.00 Peseta..... 20,000.00 Pesos..... 810,000.00 Med. pesos..... 900,000.00 Peseta..... 100,000.00 Pesos..... 105,000.00 Med. pesos..... 865,000.00 Peseta..... 25,000.00 Med. peseta..... 5,000.00 Pesos..... 169,000.00 Med. pesos..... 846,000.00 Peseta..... 83,500.00 Med. peseta..... 3,500.00 Pesos..... 100,000.00 Med. pesos..... 325,000.00 Peseta..... 5,000.00 Pesos..... 155,000.00 Med. pesos..... 825,000.00 Peseta..... 68,500.00 Med. peseta..... 6,500.00	a 1,556,000.00	1,414,545.45	707,272.72
Mar. 15, 1904	(Pesos..... 585,000.00 Med. pesos..... 625,000.00 Peseta..... 20,000.00 Pesos..... 810,000.00 Med. pesos..... 900,000.00 Peseta..... 100,000.00 Pesos..... 105,000.00 Med. pesos..... 865,000.00 Peseta..... 25,000.00 Med. peseta..... 5,000.00 Pesos..... 169,000.00 Med. pesos..... 846,000.00 Peseta..... 83,500.00 Med. peseta..... 3,500.00 Pesos..... 100,000.00 Med. pesos..... 325,000.00 Peseta..... 5,000.00 Pesos..... 155,000.00 Med. pesos..... 825,000.00 Peseta..... 68,500.00 Med. peseta..... 6,500.00	b 1,090,000.00	990,909.09	495,454.55
Apr. 14, 1904	(Pesos..... 585,000.00 Med. pesos..... 625,000.00 Peseta..... 20,000.00 Pesos..... 810,000.00 Med. pesos..... 900,000.00 Peseta..... 100,000.00 Pesos..... 105,000.00 Med. pesos..... 865,000.00 Peseta..... 25,000.00 Med. peseta..... 5,000.00 Pesos..... 169,000.00 Med. pesos..... 846,000.00 Peseta..... 83,500.00 Med. peseta..... 3,500.00 Pesos..... 100,000.00 Med. pesos..... 325,000.00 Peseta..... 5,000.00 Pesos..... 155,000.00 Med. pesos..... 825,000.00 Peseta..... 68,500.00 Med. peseta..... 6,500.00	1,230,000.00	1,088,495.57	544,247.78
May 12, 1904	(Pesos..... 585,000.00 Med. pesos..... 625,000.00 Peseta..... 20,000.00 Pesos..... 810,000.00 Med. pesos..... 900,000.00 Peseta..... 100,000.00 Pesos..... 105,000.00 Med. pesos..... 865,000.00 Peseta..... 25,000.00 Med. peseta..... 5,000.00 Pesos..... 169,000.00 Med. pesos..... 846,000.00 Peseta..... 83,500.00 Med. peseta..... 3,500.00 Pesos..... 100,000.00 Med. pesos..... 325,000.00 Peseta..... 5,000.00 Pesos..... 155,000.00 Med. pesos..... 825,000.00 Peseta..... 68,500.00 Med. peseta..... 6,500.00	1,810,000.00	1,601,769.91	800,884.96
June 13, 1904	(Pesos..... 585,000.00 Med. pesos..... 625,000.00 Peseta..... 20,000.00 Pesos..... 810,000.00 Med. pesos..... 900,000.00 Peseta..... 100,000.00 Pesos..... 105,000.00 Med. pesos..... 865,000.00 Peseta..... 25,000.00 Med. peseta..... 5,000.00 Pesos..... 169,000.00 Med. pesos..... 846,000.00 Peseta..... 83,500.00 Med. peseta..... 3,500.00 Pesos..... 100,000.00 Med. pesos..... 325,000.00 Peseta..... 5,000.00 Pesos..... 155,000.00 Med. pesos..... 825,000.00 Peseta..... 68,500.00 Med. peseta..... 6,500.00	1,000,000.00	909,090.90	454,545.45
July 14, 1904	(Pesos..... 585,000.00 Med. pesos..... 625,000.00 Peseta..... 20,000.00 Pesos..... 810,000.00 Med. pesos..... 900,000.00 Peseta..... 100,000.00 Pesos..... 105,000.00 Med. pesos..... 865,000.00 Peseta..... 25,000.00 Med. peseta..... 5,000.00 Pesos..... 169,000.00 Med. pesos..... 846,000.00 Peseta..... 83,500.00 Med. peseta..... 3,500.00 Pesos..... 100,000.00 Med. pesos..... 325,000.00 Peseta..... 5,000.00 Pesos..... 155,000.00 Med. pesos..... 825,000.00 Peseta..... 68,500.00 Med. peseta..... 6,500.00	1,102,000.00	975,221.24	487,610.62
Aug. 15, 1904	(Pesos..... 585,000.00 Med. pesos..... 625,000.00 Peseta..... 20,000.00 Pesos..... 810,000.00 Med. pesos..... 900,000.00 Peseta..... 100,000.00 Pesos..... 105,000.00 Med. pesos..... 865,000.00 Peseta..... 25,000.00 Med. peseta..... 5,000.00 Pesos..... 169,000.00 Med. pesos..... 846,000.00 Peseta..... 83,500.00 Med. peseta..... 3,500.00 Pesos..... 100,000.00 Med. pesos..... 325,000.00 Peseta..... 5,000.00 Pesos..... 155,000.00 Med. pesos..... 825,000.00 Peseta..... 68,500.00 Med. peseta..... 6,500.00	430,000.00	390,909.09	195,454.54
Sept. 13, 1904	(Pesos..... 585,000.00 Med. pesos..... 625,000.00 Peseta..... 20,000.00 Pesos..... 810,000.00 Med. pesos..... 900,000.00 Peseta..... 100,000.00 Pesos..... 105,000.00 Med. pesos..... 865,000.00 Peseta..... 25,000.00 Med. peseta..... 5,000.00 Pesos..... 169,000.00 Med. pesos..... 846,000.00 Peseta..... 83,500.00 Med. peseta..... 3,500.00 Pesos..... 100,000.00 Med. pesos..... 325,000.00 Peseta..... 5,000.00 Pesos..... 155,000.00 Med. pesos..... 825,000.00 Peseta..... 68,500.00 Med. peseta..... 6,500.00	1,055,000.00	959,090.90	479,545.45
Oct. 15, 1904	Invoice not received.....	950,000.00	863,636.36	431,818.18
Oct. 31, 1904	Awaiting shipment.....	500,000.00	454,545.45	227,272.72
	Total.....	11,723,000.00	10,517,779.18	5,258,889.59

^a The shipment of Feb. 10 contained, in addition to 1,556,000 pesos, 39,490 kilograms of bar silver and 50,585 kilograms of blanks, the bar silver assaying 1,171.39 standard ounces and the blanks 1,514.11 standard ounces.

^b The shipment of Mar. 15 contained also burnt silver which assayed 463 standard ounces.

The weight in standard ounces, after melting, and the United States currency value of the silver contained in the Spanish-Filipino coins is shown in the following table, covering shipments upon which reports have been received namely:

Date of shipment.	Face value in Spanish-Filipino currency.	Yield.	Bullion value in United States currency.
	<i>P/s.</i>	<i>Standard ozs.</i>	
November 13, 1903.....	600,000.00	465,092.53	\$268,322.62
December 11, 1903.....	400,000.00	313,357.10	180,782.04
February 10, 1904.....	1,550,000.00	1,214,196.84	700,498.18
March 15, 1904.....	1,000,000.00	848,974.04	489,792.72
April 14, 1904.....	1,230,000.00	965,313.85	556,911.85
May 12, 1904.....	1,810,000.00	1,420,125.90	819,303.40
Total.....	6,686,000.00	5,227,060.26	3,015,611.71

From the foregoing statement it will appear the expectation has been realized that the Spanish-Filipino coins would contain so much pure silver as to make their recoining profitable, because the value of the silver contained in these coins would be equal or slightly above the market value of bullion.

The same methods of shipment as described in detail in the last annual report have been followed without the loss of a centavo. The small shipment of minor coinage was corroded by water, due to an accident in the carrying ship. This slight damage was covered by insurance, which paid the cost of reburnishing the metal.

There has been recoined and returned to Manila from the Spanish-Filipino coins sent to the San Francisco mint an aggregate of ₱7,276,016 in denominations as shown by statement following, representing shipments to October 31, 1904:

Denomination.	Amount coined in pesos.	Standard ounces.	Approximate cost.
Pesos.....	₱6,558,000.00	5,683,600.00	\$3,279,000.00
50 centavos.....	264,000.00	228,800.00	132,000.00
20 centavos.....	232,016.00	200,838.85	115,868.57
10 centavos.....	222,000.00	192,168.75	110,866.58
Total.....	7,276,016.00	6,305,407.60	3,637,735.15

Under authority of United States law the civil governor, on the 23d day of October, 1903, issued a proclamation "that Mexican silver dollars shall be receivable for public dues, at a rate to be fixed from time to time by the proclamation of the civil governor, until the first day of January, nineteen hundred and four, and that on and after that date such coins shall cease to be so receivable." Steps were taken to get in and retire from circulation the Spanish-Filipino coinage by fixing the ratio from time to time. On June 21, 1904, an executive order was issued providing that "no Mexican pesos will be received in payment of public dues, and neither Mexican pesos nor Spanish-Filipino coins will be purchased by the government between June thirtieth and September thirtieth, nineteen hundred and four, and after the last-named date they will be purchased only at their bullion value." On January 1, 1904, the Mexican peso was demonetized and

their further importation prohibited. On January 7 drastic legislation was passed, effective October 1, discouraging the further circulation of anything but the new Philippines and United States currency. This legislation provided for a progressive tax on commercial paper and bank deposits in other than currency based upon the gold standard. Under these provisions the Mexican currency in the islands found a more favorable exchange in other near-by countries and was gradually exported from the islands. This exportation was facilitated by reason of the unusual demand for them due to abnormal conditions in north China. The Spanish-Filipino currency has been practically all recoined. The circulating currency is now, therefore, the new Philippine coinage and such moneys of the United States as find their way to the islands.

On October 30, 1904, the civil governor reported by cable on the working of the new currency system as follows:

The approach of October 1, when first currency taxing provisions became effective, caused large exports of Mexican pesos commercially and large inflow of Spanish-Filipino coins in the treasury.

In September, 1,197,500 Mexican pesos were exported, and 538,622 Spanish-Filipino pesos came into the treasury and were withdrawn from circulation. During September actual circulation of new currency increased 1,891,000 pesos. In October to date 1,682,995 pesos Mexican currency have been exported commercially, and 950,000 Spanish-Filipino pesos received by insular government for recoinage. Have on hand nearly 500,000 Spanish-Filipino pesos for recoinage. Increase of actual circulation new coins for October approximately 1,300,000 pesos.

Every bank in Manila published notices refusing to receive old currency on deposit after September 30. Railroads receive no old currency at any price. Nearly all accounts of banks throughout the islands have been reopened in the new currency. Banking business has called in its old notes; issued new ones based upon the new currency. All new contracts are being made new currency.

Business throughout the archipelago conducted now mainly on new basis, banks and large dealers cooperating with the government. Very little old currency left, and existing taxing provisions will eliminate that by January 1 next. The gold standard is an established fact, and now meets approval of the entire public. Business conditions much improved.

On the date of this report there are in the islands 24,924,520 new Philippine pesos, of which ₱15,963,043 are in actual business circulation. The balance is in the Treasury, banks, or in the hands of disbursing officers. The above ₱15,963,043 of course includes the silver certificates, of which ₱7,230,000 are in circulation.

The various steps taken by the civil government to gain this result were met by violent opposition and predictions of inevitable disaster, made to the Government officials both in Manila and Washington, but in every case, as soon as definite legislative action had been taken, the atmosphere cleared, and the business interests commended, by acquiescence and cooperation, the action of the government.

The Philippines currency act was passed by Congress April 3, 1903. The first new Philippine peso was placed in circulation July 23, 1903.

Since that time the Government has eliminated thirty or forty millions of debased currency and has substituted for it a currency based upon the gold standard without serious jar or dislocation, all accomplished within seventeen months. In the minds of financiers and bankers, this accomplishment is considered a wonderful achievement, unique in the history of the world.

SILVER CERTIFICATES.

In the last report it was shown that the following amounts of silver certificates, or paper money, with respective denominations had been shipped to the Philippines:

₱2,000,000 in 2's.
4,000,000 in 5's.
4,000,000 in 10's.

Since November 1, 1903, there have been forwarded additional silver certificates aggregating 7,980,000 pesos, making a total issue to this date of 17,980,000 pesos of denominations as follows:¹

	Pesos.
2-peso certificates.....	2,330,000
5-peso certificates.....	4,650,000
10-peso certificates.....	11,000,000

Orders have been placed with the Bureau of Engraving and Printing for an amount which, with the above total, will aggregate 20,000,000 pesos in value, and there are still due from said department for delivery to the insular treasury the following certificates:

	Pesos.
2-peso certificates.....	670,000
5-peso certificates.....	1,350,000

Such shipments of certificates have been insured in each instance, and the expenditures that have been incurred in connection with their preparation and shipment have been paid from Philippine revenues by the disbursing officer of this Bureau as follows:

Date of shipment.	Forwarded on transport—	Peso value.	Insurance.	Cost of preparing.	Total cost.
Feb. 20, 1904	Sherman.....	2,040,000	\$31.25	\$3,756.24	\$3,787.49
Apr. 30, 1904	Thomas.....	1,000,000	25.00	1,471.19	1,496.19
May 26, 1904	Sheridan.....	1,990,000	31.25	2,076.37	2,107.62
June 23, 1904	Sherman.....	2,950,000	31.25	3,078.03	3,109.28
	Total.....		118.75	10,381.83	10,500.58

The Philippine Commission has advised the War Department that at present only the largest denomination that the act of Congress authorizes—namely, 10-peso certificates—are in demand, and also that it is very desirable that Congressional authority be secured to issue larger denominations. This recommendation was brought to the attention of Congress and has resulted in the following provision in the before-mentioned bill, which is pending in the Senate:

SEC. 10. That section eight of an act of Congress approved March second, nineteen hundred and three, entitled "An act to establish a standard of value and to provide for a coinage system in the Philippine Islands," is hereby amended by striking out the word "ten" in said section and inserting in lieu thereof the words "five hundred," so that said section when amended shall read as follows:

"SEC. 8. That the treasurer of the Philippine Islands is hereby authorized, in his discretion, to receive deposits of the standard silver coins of one peso authorized by this act to be coined, at the treasury of the government of said islands or any of its branches, in sums of not less than twenty pesos, and to issue silver certificates therefor in denominations of not less than two nor more than five hundred pesos, and coin so deposited shall be retained in the treasury and held for the payment of such certificates on demand, and used for no other purpose. Such certificates shall be receivable for customs, taxes, and for all public dues in the Philippine Islands, and when so received may be reissued, and when held by any banking association in said islands may be counted as a part of its lawful reserve."

¹ Since the above was written the remainder of the 20,000,000 pesos has been shipped.

REDEMPTION OF PHILIPPINE SILVER CERTIFICATES.

In August last the Treasury Department stated they were constantly having Philippine silver certificates presented for redemption. As no provision had been made for the redemption in the United States of Philippine paper money, the civil governor was communicated with and authority obtained so that such silver certificates might be redeemed through both of the depositary banks, charging such bills against the gold-standard fund on deposit with the bank, transmitting monthly by registered mail the certificates to the insular treasurer at Manila.

TEMPORARY CERTIFICATES OF INDEBTEDNESS.

Under the provisions of section 6 of the act of Congress approved March 2, 1903—Philippines currency act—there were sold prior to November 1, 1903, two issues of temporary certificates of indebtedness amounting each to \$3,000,000. The first issue maturing May 1, 1904, was for the purpose of establishing a continuing credit for the purchase of silver bullion. The proceeds of the sale of the second issue, maturing September 1, 1904, was for the maintenance of the parity.

On October 10, 1903, the Philippine Commission passed an act constituting a gold-standard fund in the Philippine treasury, in the following language: "An act constituting a gold-standard fund in the insular treasury for the purpose of maintaining the parity of the silver Philippine peso with the gold-standard peso, and organizing a division of the currency in the bureau of the insular treasury through which such fund shall be maintained, expenditures made therefrom, and accretions made thereto, and providing regulations for the exchange of currencies and for the issue and redemption of silver certificates."

The first section of this act reads as follows:

SECTION 1. All funds in the insular treasury which are the proceeds of the certificates of indebtedness issued under and by authority of section six of an act of Congress entitled "An act to establish a standard of value and to provide for a coinage system in the Philippine Islands," approved March second, nineteen hundred and three, all profits of seigniorage made by the insular government in the purchase of bullion and the coinage therefrom, and the issue of the Philippine pesos and the subsidiary and minor coins, all profits from the sale of exchange by the insular government between the Philippine Islands and the United States made for the purpose of continuing the parity of the silver Philippine peso with the gold-standard peso, and all other receipts in the insular treasury inuring to the insular government in the exercise of its functions of furnishing a convenient currency for the islands, shall constitute a separate and trust fund in the insular treasury to be known as the "gold-standard fund," and to be used for the purpose of maintaining the parity of the silver Philippine peso with the gold-standard peso provided in the said act of Congress, approved March second, nineteen hundred and three. Such fund shall not be used to pay any expenses of the insular government or to satisfy any of the appropriations of the insular government, except only those connected with the purchase of bullion, the coinage of the same into the money of the Philippine Islands, and those which are incident to the transportation of such money to the Philippine Islands from the place of coinage, to the putting of money into circulation, including the preparation and issue of silver certificates, and to the carrying on of such financial transactions, by exchange and otherwise, as may be authorized by law to maintain the circulation of the currency provided for in the said act of Congress, approved March second, nineteen hundred and three, and the subsidiary and minor coinage provided for by said act and by an act of Congress entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," approved July first, nineteen hundred and two, and to the maintenance of the parity of value between the silver Philippine peso and the subsidiary and minor coins, the coinage of which is provided for by the acts above mentioned, and the gold peso, which by the act of March second, nineteen hundred and three, is made the standard

of value in the Philippine Islands: *Provided*, That whenever the public interest permits, there may be withdrawn from the gold-standard fund such amount as the Philippine government may deem proper to pay the principal and interest of all, or any part of, the certificates of indebtedness issued under section six of the said act of Congress of March second, nineteen hundred and three.

The proceeds of these two issues, together with the seigniorage, constituted a gold-standard fund.

In February of this year the civil governor of the Philippine Islands advised the War Department by cable that the Philippine Commission considered it advisable to take up the first issue of these certificates, which matured May 1, 1904, by a third issue of \$3,000,000. The same method as was followed in the advertisement and public sale of the other issues, and which is set forth in detail in my last annual report, was followed in the sale of this new issue. The Secretary of the Treasury authorized the following statement as to their recognition by the Treasury Department:

These certificates of indebtedness will be at once accepted at par by the Treasury Department as security for deposits of the public money of the United States in national banks in substitution for State, municipal, or Philippine bonds, and certificates of indebtedness now held to secure such deposits; and in substitution for United States bonds now held as security for deposits, on condition that the Government bonds thus released be used as security for additional circulation whenever, in the judgment of the Secretary of the Treasury, it is desirable to stimulate an increase in national-bank circulation.

Bids were opened on April 15, 1904, and it was found that the bid of the American National Bank, of Kansas City, Mo., of \$101.181 for the entire issue was the most advantageous, and the award was accordingly made. This thus puts the bond on a basis a little over 2½ per cent. This issue was oversubscribed ten times.

These certificates, like the former ones, were each for \$1,000, and numbered serially from 6001 to 9000.

The total proceeds amounted to \$3,035,430, and the first issue of certificates, numbered from 1 to 3000, maturing May 1, 1904, was paid off by the proceeds of the last sale of certificates.

On the 7th of July 1904, Governor Wright advised the War Department by cable that although the Philippine government could without embarrassment pay off and retire second issue, maturing September 1, 1904, it was thought wise to make an additional one for that purpose. The Secretary of the Treasury authorized the same statement as to their recognition as with the last preceding issue.

The same method as heretofore was followed in this sale, and in the presence of bidders on October 22, 1904, when the bids were opened it was found that the bid of \$101.410 by M. L. Turner, of Oklahoma City, Okla., was the most advantageous, which was accordingly accepted, and with interest considered, placed the bonds on nearly a 2½ per cent basis. This issue was oversubscribed nine times. These certificates were numbered from 9001 to 12000, and of the same denomination as formerly.

The proceeds of the issue, \$3,042,300, were deposited with the insular depositary in New York City and were used to pay off the second issue.

At the time of the sale of these two issues the money market was what is called "easy" or "a soft bond market." Expert financiers anticipated that the Government could expect but a very slight premium, if any, and the sale was therefore gratifying to the Philippine government and hardly to be anticipated by the state of the money

market. It was due not only to the credit of the Philippine government, but also to the recognition given by the United States Treasury Department.

PHILIPPINE LAND (FRIAR) PURCHASE BONDS.

In the past year the negotiations for the purchase of the so-called friar lands had resulted in contracts covering upward of 410,000 acres, at a price of \$7,239,000 gold.

In the act of Congress approved July 1, 1902, the following provisions for the issue of bonds for the purchase thereof appears:

SEC. 63. That the government of the Philippine Islands is hereby authorized, subject to the limitations and conditions prescribed in this act, to acquire, receive, hold, maintain, and convey title to real and personal property, and may acquire real estate for public uses by the exercise of the right of eminent domain.

SEC. 64. That the powers hereinbefore conferred in section sixty-three may also be exercised in respect of any lands, easements, appurtenances, and hereditaments which, on the thirteenth of August, eighteen hundred and ninety-eight, were owned or held by associations, corporations, communities, religious orders, or private individuals in such large tracts or parcels and in such manner as in the opinion of the Commission injuriously to affect the peace and welfare of the people of the Philippine Islands. And for the purpose of providing funds to acquire the lands mentioned in this section said government of the Philippine Islands is hereby empowered to incur indebtedness, to borrow money, and to issue, and to sell at not less than par value, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands, upon such terms and conditions as it may deem best, registered or coupon bonds of said government for such amount as may be necessary, said bonds to be in denominations of fifty dollars or any multiple thereof, bearing interest at a rate not exceeding four and a half per centum per annum, payable quarterly, and to be payable at the pleasure of said government after dates named in said bonds not less than five nor more than thirty years from the date of their issue, together with interest thereon, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands; and said bonds shall be exempt from the payment of all taxes or duties of said government, or any local authority therein, or of the Government of the United States, as well as from taxation in any form by or under State, municipal, or local authority in the United States or the Philippine Islands. The moneys which may be realized or received from the issue and sale of said bonds shall be applied by the government of the Philippine Islands to the acquisition of the property authorized by this section and to no other purposes.

SEC. 65. That all lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be held, sold, and conveyed, or leased temporarily for a period not exceeding three years after their acquisition by said government on such terms and conditions as it may prescribe, subject to the limitations and conditions provided for in this act: *Provided*, That all deferred payments and the interest thereon shall be payable in the money prescribed for the payment of principal and interest of the bonds authorized to be issued in payment of said lands by the preceding section, and said deferred payments shall bear interest at the rate borne by the bonds. All moneys realized or received from sales or other disposition of said lands or by reason thereof shall constitute a trust fund for the payment of principal and interest of said bonds, and also constitute a sinking fund for the payment of said bonds at their maturity. Actual settlers and occupants at the time said lands are acquired by the government shall have the preference over all others to lease, purchase, or acquire their holdings within such reasonable time as may be determined by said government.

About the 18th of December, 1903, the civil governor of the Philippine Islands notified the War Department of the closing of the contract, which had the approval of the Secretary of War, and the question of issuance of bonds, what kind they should be, amount, denominations, and the various details as to engraving, printing, payment, interest, and all other information necessary to their advertisement and sale was taken up by cable. Much work was necessary to make decision and work out all these details. All the experts of the various bureaus of the Treasury Department had to be consulted, and

as well as it necessary to gain practical information as to the best method of floating these bonds, which information was as kindly furnished by expert financiers of New York houses connected with bonding companies as it was by the experts of the Treasury Department.

Registered bonds were determined upon. It was believed unwise to open a separate registering office in the Bureau of Insular Affairs, if the Philippine government could make use of the expert Register Office of the Treasury Department. The Secretary of the Treasury, on the request of the Secretary of War, kindly undertook this work, as well as the payment by the Treasurer of the interest on the bonds, the method being to transfer, through the disbursing officer of this Bureau, to the Treasury Department the amount of Philippine money that was necessary to meet these payments. In coming to this conclusion it became necessary for the Secretary of the Treasury and the Secretary of War to ask the opinion of the Attorney-General as to the construction of certain language of the above section, which opinion is embodied in the appendix.

The Philippine government limited the issue to \$7,000,000, since the indications were that the premium would easily cover the additional contract amount.

Accordingly, on December 30, 1903, a circular was issued announcing that the bonds would be dated February 1, 1904, bearing interest at 4 per cent, payable quarterly, redeemable at the pleasure of the Philippine government after ten years, and payable in thirty years after date of issue in gold coin of the United States, both principal and interest being payable at the Treasury of the United States; that the bonds would be registered and transferable at the office of the Register of the Treasury; that they should be in denominations of \$10,000 and \$1,000 in proportion to suit the purchaser or purchasers; that bids would be opened January 11, 1904, and delivery of interim certificates made February 1, 1904, for which the engraved bonds would be substituted later.

The Secretary of the Treasury authorized the statement—

That the Philippine land-purchase bonds will be accepted at par as security for deposits of public money, should further deposits be made, and may be substituted for Government bonds now held as security for deposits, on condition that the Government bonds thus released be used as security for additional circulation whenever, in the judgment of the Secretary of the Treasury, it is desirable to stimulate an increase in national-bank circulation.

This circular was given the widest publicity in the United States and in Manila. When the bonds were opened on January 11, 1904, they were found to contain, in all, tenders for \$33,237,000.

The most advantageous bid was found to be the joint one of Harvey Fisk & Sons, Fisk & Robinson, and the National City Bank of New York, of \$107.577 for the entire \$7,000,000, and they were accordingly awarded the bonds. The premium realized was thus \$530,390, which more than justified the decision to limit the issue to \$7,000,000.

The money was equally divided between the two Philippine depositaries in the United States, with interest for the six-months period contemplated in the contract of purchase at the rate of $3\frac{1}{4}$ per cent. The bonds were thus floated at practically 3 per cent. But \$2,000,000 of this amount has been paid out. This \$2,000,000, at the request of the title holder, is awaiting payment in London.

The examination of the titles of all the friar lands have been concluded. The survey of the British-Manila Estates Company (Lim-

ited) has been accepted by its representative, and \$200,000 have been paid from the friar fund in New York and \$98,782.07 paid in cash in Manila.

These estates include the two haciendas of San Juan and San Nicolas, in the town of Imus (usually known as the "Imus estate"), in the province of Cavite, consisting of 18,419 hectares, 56 ares, and 12 centares, formerly the property of the Recoletos order in the Philippines.

Likewise, the survey of the estates called Sociedad Agricola de Ultramar has been accepted by its representative. This includes the former estates of the Augustinian order in the Philippines, comprising some 18 different haciendas or estates, of which the purchase price was some \$2,212,404. Two million dollars of this amount have been transferred from New York to London, in accordance with and awaiting the demand of its representative, and the balance was paid in Manila.

In the case of the Philippine Sugar Estates Development Company (Limited), comprising the lands formerly owned by the Dominican order, a joint survey of several of the haciendas, which the government survey had shown to be short to the amount of the value of several hundred thousand dollars, has been requested by the government. Again, questions have arisen as to the titles of the large haciendas of Biñan, Santa Rosa, Santa Cruz de Malabon, together with a portion of Lolomboy.

It is the opinion of the government attorney who examined the titles that the title was in a separate and independent foundation, which had never joined in the conveyance. The amount of the purchase price aggregates \$3,671,657, to be definitely determined according to the resurvey.

Pay for that part of these estates as to which there is no doubt has been offered, as well as a proposition to bring the titles in dispute before the courts. The government is anxious to gain complete possession of these lands to parcel them out, not only in order that the transaction should be completed, but also that the land may be earning legitimate revenue for the friar-land fund.

DEPOSITARIES OF PHILIPPINE FUNDS.

The Guaranty Trust Company and the International Banking Corporation remain the two depositaries of insular funds in New York. The latter bank maintains a branch office in Washington and also in Manila. The same two English corporations—the Hongkong and Shanghai Banking Corporation and the Chartered Bank of India, Australia, and China—continue as depositaries in Manila of insular funds. All such funds are secured by bonds with the American Surety Company of New York and the Fidelity and Deposit Company of Maryland. These two surety companies have also contracts for bonding all insular employees who disburse moneys.

The treasury of the Philippine Islands still remains the only depositary designated under the act of July 1, 1902, of the public moneys of the United States in the Philippine Islands.

The following statements will indicate the business with these banks

in the United States as depositaries of the funds of the civil government of the Philippine Islands:

Statement of the account of the Guaranty Trust Company of New York in account with the civil government of the Philippine Islands, October 31, 1904.

Debtor.		Creditor.	
Balance Oct. 31, 1903:		Withdrawals:	
Gold standard fund.....	\$3,146,003.61	Insular treasurer's transfer drafts.....	\$3,896,853.39
Congressional relief fund.....	82,033.69	Transferred to London on friar lands account.....	2,000,000.00
	\$3,228,037.30	Treasurer of the United States James G. Jester, disbursing agent, Washington, D. C.....	70,000.00
Deposits:		Carson Taylor, disbursing office, exposition board.....	8,590,000.00
Treasurer of the United States Land purchase bond account.....	8,805,922.77	M. P. Healy, disbursing office, exposition board.....	306,490.22
Certificates of indebtedness.....	150,000.00	J. S. Manning, disbursing office, constabulary.....	6,000.00
Proceeds, sale proof coin sets.....	6,017,730.00	Thos. Hardeman, disbursing office, honorary commission.....	36,863.78
J. G. Jester, disbursing agent.....	7,456.00	Balance due the insular government—	60,000.00
C. H. Whipple.....	140,019.48	Friar lands bond fund \$1,766,238.07	
American National Bank, Kansas City.....	258.00	Gold standard fund.....	2,141,198.67
M. L. Turner, bond award.....	30,000.00	General fund.....	880,164.94
Cash for drafts issued.....	30,000.00		4,787,601.68
Auditor for War Department.....	1,138,352.29		19,753,809.07
Superintendent of Mint, Philadelphia.....	58.38		
Superintendent of Mint, San Francisco.....	13,782.95		
Interest on deposits.....	8,661.82		
	183,530.08		
	19,753,809.07		
Balance Oct. 31, 1904.....	4,787,601.68		

Statement of the account of the International Banking Corporation at Washington, D. C., in account with the civil government of the Philippine Islands.

Debtor.		Creditor.	
Deposits:		Withdrawals, J. G. Jester, disbursing agent, Washington....	\$443,000.00
Treasury of the United States, United States Quartermaster's Department.....	\$4,145,187.00	Balance due the insular government:	
Miscellaneous receipts and refunds.....	10,000.00	General fund....	\$131,556.86
Proceeds from damaged \$20 note received from treasurer, Philippine Islands.....	2,668.77	Friar lands bond fund.....	3,666,343.07
Interest on deposits.....	20.00		3,797,899.93
	83,024.16		
	4,240,899.93		4,240,899.93
Balance Oct. 31, 1904.....	3,797,899.93		

Mention has already been made of the fact that the money realized from the sale of the land purchase, or friar bonds, was equally divided between the two depositaries in the United States at the rate of 3½ per cent for a period of six months, and at the end of that period, which was about June 22, 1904, the banks represented that they were not justified in paying that rate of interest thereafter on account of the large amount of ready money in the market at that time, as well as the fact that this money was virtually on call by the Philippine government. The Philippine government acquiesced and the interest was accordingly reduced.

The unpaid balance of the so-called friar money is on call with the Guaranty Trust Company at 2 per cent, and with the International

Banking Corporation at $2\frac{1}{2}$ per cent, under the condition of fifteen days' notice of withdrawal.

For the same reasons the interest on the gold standard fund with the Guaranty Trust Company was reduced from $3\frac{1}{2}$ to $2\frac{1}{2}$ per cent, the relief fund from $3\frac{1}{2}$ to $2\frac{1}{2}$ per cent, the treasurer's general account is 2 per cent with both the Guaranty Trust Company and the International Banking Corporation, being reduced from 3 per cent, and the funds to the credit of the disbursing agent of this Bureau is 2 per cent with both banks.

Interest on Philippine funds deposited with the Guaranty Trust Company of New York and the International Banking Corporation, New York (also Washington branch), October 1, 1903, to September 30, 1904.

Fund.	Guaranty Trust Co. of New York.	International Banking Corporation.	Total.
Friar land.....	\$71,043.07	\$77,262.70	\$148,305.77
Gold standard.....	76,259.35		76,259.35
Treasurer's general account.....	18,371.28	1,811.13	20,182.41
Disbursing agent, Philippine revenues.....	8,250.92	3,950.33	12,201.25
Relief.....	9,605.46		9,605.46
Total.....	183,530.08	83,024.16	266,554.24

NOTE.—Interest on disbursing agent's funds is credited to general account of treasurer.

METHOD OF TRANSFER OF FUNDS BETWEEN THE UNITED STATES AND THE PHILIPPINE ISLANDS.

The gold-standard act provides that the insular treasury, or the Philippine depositaries in the United States, may sell on demand, in sums of not less than 10,000 pesos, or \$5,000, exchange against the gold-standard fund, charging for the same a premium of three-quarters of 1 per cent for demand drafts and $1\frac{1}{8}$ per cent for telegraphic transfers. Under the discretionary power of the same act, the secretary of finance and justice of the Philippine Islands has but recently changed these rates respectively to three-eighths of 1 per cent and three-quarters of 1 per cent, which affords a cheap method for the transfer of funds both ways without actual transportation of the money.

When the Philippine government desired to increase the money on deposit with the New York depositaries, it has been accomplished by taking advantage of the War and Navy Departments' desire to transfer United States money belonging to any of their bureaus from the United States to the Philippines. The method being followed is to notify the civil governor by cable of the bureau desiring transfer and the amount to be deposited in the treasury of the Philippine Islands as depositary of the United States. The Philippine treasurer, when that has been accomplished, informs by cable the Treasurer of the United States, who in turn transmits an equal amount to such Philippine depositary as this Bureau designates in New York, and then the amount so placed with the treasurer of the Philippine Islands is subject to the directions of the Treasurer of the United States.

PHILIPPINES CONSTABULARY.

The act of Congress approved January 30, 1903, to promote the efficiency of the Philippines constabulary, which provided for the detail from the Regular Army of five officers, one as chief of constabulary and four as assistant chiefs, with respective rank, pay, and emoluments of brigadier-general and colonels, has worked well. It has permitted of the combined use of the companies of United States Filipino Scouts, which are paid by the Federal Government, and the constabulary or police force, which is maintained by the insular government. The Philippines constabulary in the past year, with the aid of the Scouts, have put down brigandage, reduced ladronism to a minimum, and suppressed the raids of the religious fanatics, called Pulijanes, in Cebu. They are an efficient and effective force and have not been found wanting.

The Philippines constabulary band and a battalion of two companies of the constabulary have been stationed with the Philippine exposition at the World's Fair. Their appearance, discipline, and conduct throughout their six months' stay has excited only favorable comment from the thousands of Americans that have seen them.

So effective has been the work of the native soldiery in the Philippines throughout the past year that it may properly be said that life, limb, and property are safer throughout the islands than they have been since American occupancy.

The present situation of law and order has permitted the Philippine Commission to reduce the constabulary force 1,200 men—from a total of about 7,200 to 6,000.

In the past year the anticipated difficult experiment has been made of organizing a constabulary force among the Moros. It is reported that this trial has been generally successful, and will materially contribute to the betterment not only of the military but of the political situation in the solution of that difficult governmental problem.

It was believed that the combined use of scouts and constabulary as a militia force in the islands, authorized by the act of Congress, would not only be effective for the better accomplishment of the purposes for which they were both organized, but also would incidentally demonstrate the best organization for a permanent native or Filipino auxiliary force for the policing of the islands.

The year's trial is probably too short to definitely determine the solution of this question at this time. However, divided control, the difference in pay, and maintenance have produced minor questions of authority and made invidious comparisons that would be harmonized for a common end better by the merging of the two forces into a native auxiliary one.

The revenues of the Philippines to-day will not warrant the cost of maintenance of the United States Filipino Scouts to be paid out of island funds. Were the United States to appropriate an equivalent amount to that which it now costs to maintain the Filipino soldiery for the use of the insular government in the Philippines, and loan, as it does now, the use of Regular Army officers to the command and assistant command of this force, it is believed the best insular auxiliary force could be obtained. However, the definite value of a purely military organization and control available for the use of the civil government should not be ignored.

The first plan should comprehend the detail from time to time of additional Regular Army officers, with additional rank of at least one grade, to fill a proportion of the field-officer positions of this force.

Several graduates of military colleges throughout the United States have sought, upon the recommendation of the regular officer there stationed, appointments as third lieutenants in the constabulary. An unusually fine lot of young men has been appointed, whose work gives good promise for the future.

TELEGRAPH SERVICE.

The telegraph lines, which have been taken over by the civil government from the military administration in the islands, are under the control of the Philippines constabulary, and during the year some twenty telegraphers have been appointed by this Bureau in the United States and transported to the islands. It is the policy of the Philippine government, however, eventually to employ Filipinos as telegraph operators so soon as they are qualified, and for this purpose telegraph schools have been established in Manila and some of the larger cities for the purpose of training natives along this line.

UNITED STATES FILIPINO SCOUTS.

As part of the Regular Army the Filipino Scouts should possibly not be mentioned in this report. However, as has been stated, they have performed much service under the insular government, and much has been learned of their good work in the field. Again, a battalion of four companies and band, in all about 450 men, have been stationed as a part of the Philippine exhibit at the Worlds' Fair during the past six months. This is the first and only battalion organized as such, the rest of the force being divided up into separate companies or detachments, generally stationed apart from large garrisons and in no larger than one company commands, the commanding officer having no higher grade than that of first lieutenant.

This battalion at St. Louis justly deserves much praise. I have never seen in any garrison outside of West Point a better drilled, disciplined, more cleanly and sanitary or healthy command than this battalion of Filipino Scouts in the Philippine reservation at the World's Fair. It is the only battalion ever organized under the act of Congress. They have performed as hard and exacting work as ever falls to the lot in garrison of United States soldiers; they have used the United States soldier arms and equipment; they have lived on the Government ration; have eaten it all up; all of them have gained on an average of about five pounds apiece since they left the islands and were issued the full ration. The small percentage of sickness has been unusual. Frequently there would be but three or four men sick out of a total of 450. Their drill and conduct has excited the favorable comment of thousands who have seen them. In fact, no adverse comment has been heard. Much credit for this result is due to Maj. William H. Johnston, their commanding officer. I recommend this battalion be returned to the Philippines as such.

From the results gained at St. Louis, it is furthermore recommended that all the other Filipino Scout companies be organized into battalions. Under the act of Congress this would require the detail of some 12 captains of the Regular Army to serve as majors of these battalions, and some 50 captains—too great a draft from the line of the

Regular Army, which is already too much depleted by detail of trained officers away from regiments.

I understand it has been proposed to gain legislative authority to create vacancies by such details, which can be filled by promotion in the regular service similar to the vacancies created by detail from the line to the staff departments.

This method would be probably effective and wise except that it would be hardly fair to the present first lieutenant commanding officers of scout companies that have proved efficient in that capacity and have commanded companies from three to five years.

It would require these officers to become subordinate to many officers of no greater and sometimes less length of service than themselves, and few who had any experience whatever with native troops. The efficiency of scout companies serving in the field with the constabulary has been much impaired by the lack of officers. There is no doubt there should be more. Two American officers to a native scout company of a hundred men is manifestly not enough. There should be at least three. I would therefore recommend that Congressional authority be gained to fill the vacancies created by the detail of 12 captains to become majors, and that the present law be further amended to provide for the appointment to captaincies for service only with scouts of those first lieutenants of scout companies whose record and exhaustive practical examination warrant their retention, and the dropping of all not proved and found thoroughly proficient, and for the promotion of second lieutenants to first lieutenantcies if their records and abilities warrant, and the filling of the vacancies then existing by appointment of the President, preferably from uncommissioned officers of the regular service.

There is excellent material among some of these first lieutenant scout company commanders of to-day. Many of them have excellent companies, have learned the language and ways of the men they command, and have already gained their loyalty and respect. As soon as these officers and their commands become mobilized under the experienced and educated control of a major of a battalion, detailed for merit from the captains of the regular service, they will probably prove at least as efficient captains as those for whose detail present law provides.

Again, it is clear to me after reading all the reports, talking with officers, and watching the St. Louis battalion, that the Filipino Scouts performing American soldiers' duty should have the full ration of that soldier as well as the other allowances, except pay, which is at present half of that of the Regular Army soldier, and probably adequate.

Time only can determine the best auxiliary native force. The present law, as I have said, permits of the effective combined use of both native forces, but an assistant chief of constabulary, four of whom have the rank of colonel in the United States Army, has generally too large a territory properly to watch all districts and control his constabulary and scout companies serving with same.

Could a battalion of scouts instead of four companies be turned over for use with the constabulary the major of that battalion could materially assist the constabulary colonel, not only in the better military organization and service, but in the proper political aid to the civil government. The advantages of experience to be gained by such active field service to the regular officers so detailed, and therefore to the regular service, is manifest.

THE PHILIPPINE CIVIL SERVICE.

As stated in last year's report this Bureau has charge of all work necessary to be performed in the United States relative to changes in the personnel of the government of the Philippine Islands. In addition to the reforms effected in the performance of this duty, as outlined in last year's report, a further radical change has been made in the method of handling this business during this report year.

In order to expedite the making of appointments where the same must be made upon the certification of the United States Civil Service Commission, a plan has been adopted whereby all examination papers for the Philippine service immediately upon being rated by that Commission are forwarded to this office, which is now charged with making up the various registers of eligibles and making selection in accordance with the Philippine civil-service law and rules without the formality of requesting such certification from the Civil Service Commission, thus avoiding the delay of awaiting the necessary response. The responsibility for legal certification is thereby transferred to this office, which in turn is required to render a monthly accountability to the United States Civil Service Commission. This Bureau feels its obligation to the Civil Service Commission for the great amount of work which it calls upon that Commission to perform and its duty to relieve the burden to whatever extent practicable. This new plan under which all work is done without the aid of the Civil Service Commission, except the holding of the examinations and the rating of the papers, is performed in this office and is now in satisfactory operation. There is the most harmonious cooperation between this Bureau and the Civil Service Commission.

CHARACTER OF APPOINTMENTS.

Appointments still continue to be made to all classes of positions, although but few persons possessing only clerical ability without special training are appointed in the United States for service in the Philippines. The greatest difficulty was experienced in securing suitable persons for service in the scientific laboratories in the Philippines, and also in securing an adequate number of civil engineers. It is understood that the same difficulty has been experienced by all Government offices in this country, due to the great outside demand for such persons.

Beginning with September 1, 1903, the position of teacher in the Philippines became subject to the civil-service law, and all appointments subsequent to that date have been made in accordance therewith. In order to secure a sufficient number of qualified persons the Civil Service Commission has been called upon to hold seven examinations throughout the United States since that date for the position of Philippine teacher. During this report year there have been appointed and sailed, either as the result of examination, or by transfer or reinstatement, 467 persons, of which 17 were civil engineers, 45 stenographers and typewriters, and 280 were teachers.

The chairman of the Philippine civil service board, in a communication to this office, stated as follows:

The results of applying the examination system to the position of teacher are so much more satisfactory than the results obtained through appointments made prior to September 1 that there is cause for general congratulation.

In addition to the foregoing, appointments have been made during this report year to the following employments, appointments to which are not subject to civil-service requirements:

Linemen.....	2
Telegraph operators.....	18
Third lieutenants in the constabulary.....	15
Without salary to positions in the laboratory.....	2
Judges of the court of first instance.....	2
Consulting engineer.....	1
Consulting architect with an assistant.....	1

Although not by law subject to the merit system, their method of selection has been strictly in accordance with the spirit of that principle. The third lieutenants of constabulary were appointed by this bureau after medical examination and upon the recommendation of the officers of the Army detailed to the military colleges of which they were students or graduates. The telegraph operators and linemen were appointed after medical examination and upon the recommendation of an officer of the Signal Corps charged with the duty of inquiring into the capacity and fitness of such persons. The power of appointment to the position of judge of the court of first instance is vested in the civil governor of the Philippine Islands and the positions of consulting engineer and consulting architect are of a temporary character.

TRANSPORTATION OF CIVIL EMPLOYEES.

In addition to the large amount of work connected with the arranging of transportation for appointees to the Philippine civil service, it also devolves upon this office to arrange for the transportation of insular employees on leave of absence in the United States, and in most cases members of families and fiancés of insular employees.

On account of the inadequacy of the United States transport service to handle the traffic occasioned by the heavy demand on the insular government for the transportation of its employees, due to the fact that the transport service was taxed almost to its capacity by the military establishment, for which it is primarily maintained, it again became necessary to invite proposals from the transcontinental railways and Pacific Ocean steamship lines to perform this service from January 1, 1904, which resulted in the business being given to the Southern Pacific and Union Pacific railroads and their three allied steamship lines sailing out of San Francisco and to the transcontinental railway lines, operating in connection with the steamship lines from Seattle. This agreement expired on June 30 last, but prior to its expiration it was agreed to continue it until the end of the present calendar year, when it will be necessary to again invite proposals to carry this traffic. The practice is not to resort to commercial steamers when the conditions are such as will permit the transportation of insular employees on the army transports. During the past year, however, owing to the large number of appointees for whom it was necessary to provide transportation, it has been possible to secure accommodations for only a small percentage of the insular traffic on the transports.

The rate via commercial lines is a through one, including transportation from place of residence in the United States to point of embarkation and first-class steamship transportation beyond that point.

Under the law an employee returning to the United States on leave of absence, if he anticipates returning upon the expiration of his leave, is required to make application for his return transportation before his departure from the Philippines, and insular employees desiring transportation for their families are also required to make such application to the Philippine authorities. These applications are subsequently forwarded to this Office, and in this manner it is enabled to determine whether a person is entitled to the benefit of the arrangement for the transportation of insular employees.

Transportation is furnished by the transportation lines on orders issued by this Bureau, which assumes the responsibility of the payment of the accounts when rendered. As a safeguard against loss, however, each insular employee who is not entitled to have his transportation advanced by the Philippine government is required to deposit the cost of his transportation before the orders for the same are issued.

During the year the following number of persons sailed on transportation orders issued by this Bureau: 462 appointees, 163 members of families, 20 transferees, 96 insular employees returning to duty after a leave of absence in the United States, 5 to persons reinstated, and 69 unclassified, or a total of 815 persons whose transportation via commercial lines has been arranged by this Bureau. During this same period transport accommodations have been secured for 16 appointees, 61 members of families, 38 employees on leave, and 64 unclassified, or a total of 179 persons, whose transportation on army transports has been secured through this Bureau.

The demands of the insular government in the past year, therefore, necessitated the providing of first-class accommodations from the United States to Manila to the number of 994, as against 627 for the preceding year, or an increase of 367.

DECEASED EMPLOYEES OF THE INSULAR GOVERNMENT, AND ADMINISTRATION OF THEIR ESTATES.

As indicated in the last annual report of this Bureau, the treasurer of the Philippine Islands is designated to administer the estates of deceased employees of the civil government of the Philippine Islands who are citizens of the United States, where the estates are small and a regular administration is not deemed advisable. The policy inaugurated in accordance with an understanding had with the treasurer of conducting all the business relative to the settlement of these estates through this Bureau, while involving a slight increase of work, has been attended with very satisfactory results.

The civil governor of the Philippine Islands reports by cable to this Office the deaths of all American employees of the civil government of the Philippines. Upon receipt of advice of the death of an employee the nearest relative is telegraphed, and subsequently blank forms to establish proof of heirship, with information as to the manner in which they are to be executed, are sent. These forms upon their return are sent to the treasurer of the Philippine Islands, who is guided thereby in determining the heirs to the estate.

Owing to the great expense which would attach to such a policy, the Philippine Commission some time ago decided that it was not in a position to bear the expense incident to the removal of the remains of deceased employees of the insular government to the United States,

but through the courtesy of the Quartermaster's Department it has been possible to secure transportation of the remains of such deceased employees on army transports free of charge from Manila to the United States. At the present time, however, it is incumbent upon the family of a deceased employee to arrange for the transportation of his remains from the port of entry at which they arrive in the United States to place of burial, and to defray the expenses incident to their disinterment in the Philippines in the event the estate of the deceased is not sufficient for this purpose and the family wishes the removal of the remains.

In most instances where practicable, however, the courtesy of the Quartermaster's Department has been extended and the expenses incident to the disinterment of the remains of deceased employees is reduced to a minimum by permitting the burial corps to perform this work.

EXTRADITIONS.

During the year there have received consideration cases involving the extradition of fugitives from justice of four persons from the United States to the Philippines and one person from the Philippines to a foreign country.

THE PURCHASE OF SUPPLIES FOR THE PHILIPPINE GOVERNMENT IN THE UNITED STATES.

The same method, as explained in detail in last year's report, has been followed since. During the past year 341 requisitions were received from Manila and 80 by cablegram. These orders were in turn turned over for execution to the Philippine purchasing agency located in New York but attached to this Bureau. In addition to the purchasing and shipping of goods called for in these requisitions, fully two-thirds of the articles specified in the stock orders of the previous year, approximating \$300,000, were purchased, shipped, and paid for during this year.

Requisitions for supplies similar to those furnished the Department of the United States under contract prices were, through the cooperation of the various Bureau offices of this Department, bought after inspection by their experts, and at the same low prices these Bureaus have received.

The United States Post-Office Department included a clause for the fiscal year ending June 30, 1905, providing that successful bidders should furnish similar materials and at the same prices when required by the Philippine government upon requisitions issued through the War Department.

As a rule, supplies have been purchased f. o. b. New York, but in many instances it has been found to be more advantageous to the government to purchase goods at places of manufacture and ship them across the continent by rail to San Francisco and thence by steamer to Manila under contracts made with various lines for through transportation.

The merchandise is insured on dock and in transit to Manila against all loss or damage, however it may be occasioned, and all ocean freight charges are prepaid.

The New York office is maintained by Philippine funds, and as now organized consists of one purchasing agent, one clerk, one stenographer, and one typewriting and filing clerk. The system of records in use is practically the same as that in the disbursing office of this Bureau. The books show in detail every transaction and are arranged so that the duplication of purchases or excessive charges may be readily detected.

The articles called for in the requisitions transmitted to that office have been promptly purchased and forwarded, and the work of the office is up to date.

In response to an appeal made by the Manila merchants the Philippine Commission has decided that in order to encourage bona fide merchants and to make it an object for them to carry large stocks from which purchases can be made for immediate delivery, they shall be favored with the government business, provided their prices are not more than 10 or 15 per cent above the prices asked for similar goods in the United States. This experiment is now being tried, and for the time being will result in smaller purchases through this Bureau. However, a great many requisitions are being received for articles which, for various reasons, the Manila merchants can not afford to carry in stock.

The difficulty of this plan, it is believed, will be the impracticability of distinguishing between the bona fide merchant who is willing to carry a large stock and the commission merchant or inconsequent agent whose credit and knowledge of doing business is such as to preclude the confidence of important commercial houses in the United States.

DISBURSEMENTS OF PHILIPPINE REVENUES.

The total disbursements since the date of last year's report amount to \$9,230,876.49, and are in payment of 2,756 accounts, and the total disbursements from May 20, 1901, the date the disbursing office was established, to the present time, amount to \$18,027,235.52, and are in payment of 5,684 accounts, and have been made without the loss of a cent either to the government or to the disbursing agent.

More than 25,000 expense items have been verified, checked, and recorded during the year.

The method of handling requisitions, proposals, invoices, bills of lading, certificates of insurance, and vouchers, as well as the method of recording all transactions, was shown in detail in last year's report.

CATALOGUES.

A catalogue system fully indexed under the names of firms and articles has been inaugurated. More than 1,000 catalogues have been received from manufacturers and dealers, and two catalogue filing cabinets are required for their reception. They are of much value in the purchase of supplies and in the checking of accounts.

CABLEGRAMS AND TELEGRAMS.

During the past year the total number of telegraph and cable accounts received was 94 and covers a cost of sending 3,951 mes-

sages, the total charges amounting to \$16,976.55, as per the following statement:

	Telegrams.		Cablegrams.	
	Number.	Charges.	Number.	Charges.
Western Union Telegraph Co.....	2,255	\$1,270.04	94	\$4,246.45
Postal Telegraph-Cable Co.....	1,376	863.29	225	10,596.77
Total.....	3,631	2,133.33	320	14,843.22

INSULAR SALARY AND EXPENSE FUND.

During the past year there has been deposited with the disbursing agent to the credit of the insular salary and expense fund, to cover the cost of transportation to Manila, \$63,555.57.

PURCHASE OF BULLION.

All accounts for the purchase of bullion for the silver coinage, for blanks and metal for the minor coinage, for material and labor in packing the coin for shipment, for expense of coining, and for marine insurance, ocean freight charges, and miscellaneous coinage expenses have been carefully audited in the purchasing and disbursing division. The following amounts were disbursed in connection with this coinage:

For purchase of bullion at San Francisco.....	\$954,501.66
For purchase of bullion at Philadelphia.....	130,964.50
For blanks for minor coinage.....	103,135.82
For coining, Philadelphia.....	26,794.29
For coining, San Francisco.....	91,791.36
For insurance.....	13,168.01
For freight and express.....	4,369.83
For packages and packing.....	4,537.67
For miscellaneous coinage expense.....	1,503.76
	1,330,766.90
Less amount paid during the previous year for preparation of silver certificates, later being charged, upon request of the Auditor, to the appropriation for general purposes.....	10,465.88
Total.....	1,320,301.02

CUBAN ACCOUNTS.

On March 31, 1903, Lieutenant McCoy transferred his balance, amounting to \$10,710.78. Of the \$1,205.58 on hand at the time of my last report, \$236.94 has been disbursed during the year, leaving a balance on hand at the present time of \$968.64.

ACCOUNTS RELATING TO THE EDUCATION AND MAINTENANCE OF FILIPINO STUDENTS IN THE UNITED STATES.

Act No. 854 of the Philippine Commission, enacted August 26, 1903, provides as follows:

The cost of education and maintenance of said students in the United States, not exceeding the sum of five hundred dollars, in money of the United States, per student per annum, and the actual and necessary traveling expenses of said students to the educational institutions in the United States to which they have been assigned and their actual and necessary traveling expenses from such educational institutions to Manila, Philippine Islands, upon

the completion of their studies in conformity with this act and their agreement, shall be paid by the government of the Philippine Islands.

There is hereby appropriated, out of any funds in the insular treasury not otherwise appropriated, the sum of seventy-five thousand dollars, in money of the United States, or so much thereof as may be necessary to carry out the provisions of this act. Funds appropriated for the purpose of this act for expenditure in the United States shall be disbursed by the disbursing officer of insular funds, Bureau of Insular Affairs, War Department, Washington, District of Columbia, on vouchers properly signed and duly presented.

In accordance with the last section accounts have been opened with each of the 101 students, showing the amounts paid for room rent, board, clothing, laundry, tuition, books, school supplies, and incidental expenses.

Accounts for all these expenses until recently, when they were placed in educational institutions, were made by the agent in charge of the Filipino students in the United States, who is attached to this Bureau. Now, that they have been so placed, the balance of the funds in his possession were transferred to the disbursing agent of Philippine revenues for the payment of same.

INSPECTIONS.

Two inspections of the office of the disbursing agent have been made by officers detailed from the Inspector-General's Department, and everything found correct and the office commended. The following summary is a general statement of the balances, receipts, and disbursements for the year ended October 31, 1904:

General statement of balances, receipts, and disbursements for the year ended October 31, 1904.

Appropriations.	Balance on hand Oct. 31, 1903.	Received since.	Total.	Disbursed.	Transferred to disbursing officers. Philippine Exposition Board.	Total disbursed and transferred.	Balance on hand Oct. 31, 1904.
General purposes.....	\$48,900.07	\$165,392.28	\$214,352.35	\$173,278.20		\$173,278.20	\$41,074.15
Insular purchasing agent's purchases....	46,596.78	857,551.66	904,148.44	877,946.05		877,946.05	26,202.39
Philippine exhibit....	89,049.25	300,052.50	389,101.75	12,536.00	\$376,565.75	389,101.75	
Teachers' traveling expenses.....	2,267.48		2,267.48	2,267.48		2,267.48	
Philippine census.....	1,873.75	16,000.00	17,873.75	16,584.72		16,584.72	1,289.03
Certificates of indebtedness.....	30,000.00	6,240,000.00	6,270,000.00	6,240,000.00		6,240,000.00	30,000.00
Philippine coinage.....	184,871.69	1,150,000.00	1,334,871.69	1,320,301.02		1,320,301.02	14,570.67
Insular salary and expense fund.....	11,985.60	63,555.57	75,541.17	33,892.67		33,892.67	41,648.50
Education and maintenance of Filipino students.....		48,031.10	48,031.10	38,174.60		38,174.60	9,856.50
Friar lands bonds, interest.....		210,000.00	210,000.00	139,330.00		139,330.00	70,670.00
Total.....	415,604.62	9,050,583.11	9,466,187.73	8,854,310.74	376,565.75	9,230,876.49	233,311.24

LIVE STOCK SELECTED IN THE UNITED STATES FOR THE PHILIPPINE ISLANDS.

During the past year the following animals have been purchased and shipped or are on their way to the Philippines:

Horses—12 stallions and 95 mares, 30 geldings for the Manila fire department, and 28 "cow ponies" for the Philippine constabulary;

burros—17 males and 45 females; cattle—1 Holstein bull, 4 Holstein cows, 3 Jersey bulls, 65 Jersey cows, and 2 heifers; hogs—2 Chester white boars and 2 Berkshires.

During the past year the Philippine government has given active consideration to the introduction into the Philippines of domestic service animals from the United States. Several of these are for service pure and simple, and many strictly imported for breeding, and others still for the double purpose of service and breeding, as is indicated by the above list.

In the Philippine Islands there is a race of horses of wonderful endurance and serviceability, when their diminutive size is considered. These little horses will probably not average more than twelve to thirteen hands in height and the mares from eleven to twelve. Undoubtedly these animals, judging from the qualities they possess and from their appearance, have descended from Barb and Arab blood, and under a tropical climate and with the absolute neglect of the mares, which are seldom used except for breeding, the animals have deteriorated in size to their present stature; but for their inches are as good as any horses that exist. The race is probably an illustration of the law of the "survival of the fittest," uninfluenced by any care as to selection in breeding.

Horses are used only in harness and under saddle, and they are seldom gelded.

The purpose in sending the mares and stallions to the Philippines was to make an effort to grade up the Filipino ponies so as to make a general-utility horse capable of a wider range of work. In any attempt to grade up to a better size and greater carrying capacity the problem presented was to secure a definite type and not mongrels. It was therefore not deemed wise to send any stallions or brood mares out that did not belong to definitely reproducing types; otherwise the experiment was doomed to failure. In the selection of breeding stock four types only were considered to be such as would tend best to reproduce that type for the purpose in view. The types selected were Arabs, Morgans, Denmarks, and thoroughbreds.

Percheron, Clydesdale, and other draft breeds were considered unsuitable, by reason of blood and conformation. One of the first considerations in the selection of stallions was the size of their type, which, if too large, mated with native mares would (and it has been proved that it does) smother the foal and endanger the life of the mare in foaling. Again, it is admitted that great contrast in mating of types tends to produce monstrosities and abnormalities—in other words, that the size of the horse that is desired must be gradually gained through generations.

Carefully selected Arab stallions of greater size than the Filipino ponies manifestly fulfill the conditions in the Philippines.

The next type, Morgan, the horse of Vermont, also fulfills the requirements.

Next is the Denmark type of Kentucky, which in the Blue Grass region for sixty years has been bred and become a type for a family to which belong the majority of the prize winners in American horse shows to-day. Only two of these were selected—excellent specimens. They are too large for service to any but the especially large native mares, and they should be reserved for breeding to picked American mares to keep in the islands a new supply of this excellent blood.

The Denmark mares should be bred to the best Filipino stallions, and the mare progeny of this union bred back to the Denmark stallions and the stallion progeny stood to the native mares.

The last type is the Thoroughbred. Two excellent specimens only of this breed were selected. They should be put to Filipino mares and the progeny bred to Morgans and Arabs.

The native horse has in the last few years become attacked by a frightful scourge of surra; but this disease, which is a species of glanders, has been carefully studied and, while as yet no cure has been discovered, it has been found that it is preventable and that it is not likely to attack horses except in cases where the skin, especially of the mouth, is lacerated. Great loss from this cause has resulted, but it is believed that it is now under control. The Philippine government purposes to devote much attention to this subject of the betterment and increase of the various domestic animals that so well contribute to the internal economy of a country.

Experience of the past six years has proved that an imported animal, especially the mule, with the proper care remains serviceable in the Philippines.

Many of the mares selected will be used for the service of the government, and incidentally for breeding. I earnestly renew my recommendation that nothing but mares should be furnished for all work purposes, including the mounts for cavalry, in the islands whenever their service is practicable.

Experience has shown that they will certainly do as well as geldings, and when they are worn-out or condemned for such service they will bring two or three times more than the gelding will to-day in the Philippines, and can be bred and therefore contribute to the internal economy.

THE GOVERNMENT COLD-STORAGE AND ICE PLANT AT MANILA.

This plant was constructed in 1901 by the military government and paid for out of Philippine funds. It is one of the best and most complete plants in the world and excellently performs the functions for which it was built and maintained. It has always been operated, even under government control, at a large profit. The Philippine Commission have been under the impression that it is the kind of property that should be in private hands and not run by the government; that the government should not allow itself to maintain a plant in competition with private plants, where the public exigency does not so demand. They have, therefore, determined to sell the entire plant with the realty to private parties, and have authorized this Bureau to negotiate such sale in the United States.

The minimum price determined upon is \$1,000,000, which would appear fair and equitable and present a good chance to private interests for profitable investment and an assured income in Manila. There are indications that the sale will be shortly consummated.

COMMERCE.

The summary of commerce, giving in detail the import and export trade of the archipelago, has been issued by the Bureau at regular monthly intervals during the past year, the work of the statistical division.

By means of this bulletin the public is placed in touch with commercial conditions in the islands, the statistics being so arranged as to serve as a systematic and permanent record of Philippine trade during American administration. Such a record can be fully appreciated only by one who has endeavored to prepare the same covering a number of years, and has encountered here and there the numerous lapses and incongruities that exist in the records of former sovereignty. Endeavor has been made to abridge these deficiencies as far as possible by the collection of data from various sources, the preparation of comparative tables of trade during different periods, as well as the use of graphic charts illustrating important features of Philippine commerce. In addition, and with a view to giving as wide publicity as possible to opportunities for investment and business matters generally, there are published, in connection with the statistical data available, articles bearing on the resources and industries of the islands.

The following comparative table will show the imports and exports by values:

Country.	Imports.			Exports.		
	1902.	1903.	1904.	1902.	1903.	1904.
United States.....	\$1,035,243	\$3,944,098	\$4,633,216	\$7,691,743	\$13,863,059	\$11,102,775
United Kingdom.....	5,523,161	5,171,733	4,127,951	8,282,979	8,502,016	10,123,276
Germany.....	2,356,548	1,998,922	1,600,878	75,626	306,664	107,144
France.....	1,521,523	1,182,679	1,179,847	955,828	3,678,805	2,127,395
Spain.....	2,388,523	2,620,596	2,008,904	868,528	755,234	965,511
China.....	4,300,959	5,632,817	3,144,083	462,946	405,438	679,192
Hongkong.....	1,820,109	757,491	472,902	3,183,482	2,122,304	2,102,785
Japan.....	922,719	700,728	803,314	925,767	1,502,366	1,204,514
British East Indies.....	2,995,192	2,234,950	2,549,801	670,819	836,147	658,421
French East Indies.....	3,241,329	5,955,753	9,204,874	1,578	9,317	9,119
Other countries.....	3,030,517	2,772,115	3,474,901	808,383	838,549	1,169,725
Total.....	32,141,842	32,971,882	33,220,761	23,927,679	33,119,899	30,259,627

EXPORTS AND IMPORTS.

Referring briefly to the condition of trade, official returns up to June last show a sharp decrease in the export business, the purchasing power of the islands being reduced fully \$3,000,000 as compared with the value of native products sold during the previous year. From more recent advices it is learned that the land area under cultivation for future crops is nearly as large as in ordinary years, and the effect of past conditions, such as the plague of locusts, so disastrous to agriculture, the epidemic of rinderpest, causing the death of many farm cattle, and other causes beyond the power of the government to control, is now gradually wearing off.

The imports from all countries aggregated \$33,220,761, as against \$32,971,882 in 1903. Included in this trade for the past year were: Food stuffs valued at \$15,690,910 (rice imports being worth \$11,548,814); cotton goods, \$4,919,840; metal and metal manufactures, \$3,430,334; paper and manufactures of, \$753,930; oils, \$617,179; other articles, \$7,808,568.

Since September, 1903, by act of the Commission, articles for use of the insular government have passed through the different customs-houses subject to the same duty charge as merchandise imported by private firms and are now included in monthly statements to this

Bureau. Supplies, however, for the Army and Navy come in duty free. The business referred to is quite large, and by reason of many of the purchases being made in markets of the United States our trade with the islands is much heavier than heretofore, so much so that, excluding Asiatic territory from which large shipments of rice have been received, we now rank as the leading import country in addition to holding most of the export trade.

Of the exports, hemp is valued at practically the same as last year, the larger part of the trade, while still with the United States, shows a loss during the twelve months of more than a million and a half dollars, and shipments to that amount appear to have been diverted into English channels. This is further demonstrated by the record of United States imports for periods during which hemp cargoes from Manila by way of the United Kingdom would have time to reach here, receipts for the first quarter of the present fiscal year being far below those for the same months of 1903, and made up to a greater extent by indirect shipments. In view of the provisions of section 4, act of March 8, 1902, by which American hemp buyers are entitled to a refund of the duty paid on exports to this country, the only explanation for the present drop in trade as a whole is found to be, it has been alleged, in the statement that there is much hemp of an inferior grade being offered. It is understood that consumers in this country, while awaiting an improvement in the situation, use other fiber wherever it is possible to do so, sisal, the principal substitute, showing an importation of \$16,000,000 (nearly all from Mexico), or an increase of \$3,000,000 worth over the consumption a year ago.

Copra, the product of the cocoanut palm, shows a decided falling off, its loss approximating \$2,000,000. It is alleged that the small amount of rainfall in certain sections has interfered with the crop. However, the growth and preparation of the cocoanut is a profitable industry with the natives, and there is little doubt that the setback is but temporary.

One large American cocoanut-oil manufactory has reported to the Bureau that it is in the process of moving its plant from San Francisco to Manila to convert copra into oil and supply the trade in this country, and thereby eliminate the large freight cost of the raw material to the United States, as well as to make cheaper initial purchases in the islands.

Philippine sugar trade has suffered, and although there is a slight increase in the tobacco trade over 1903, in both the crude and manufactured article, the figures are considerably below the usual average when compared with previous years.

Total exports, by articles.

Article.	1902.		1903.		1904.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Hemp.....tons..	108,265	\$15,811,316	130,159	\$21,701,575	129,742	\$21,794,960
Sugar.....pounds..	119,491,539	2,761,132	246,151,547	3,955,568	165,709,433	2,668,507
Tobacco.....		2,501,367		1,882,018		2,013,287
Copra.....pounds..	43,301,486	1,001,656	215,193,333	4,173,629	119,341,505	2,527,019
All other.....		1,821,908		1,107,709		1,216,854
Total.....		23,927,679		33,119,899		30,250,627

EXPORTS TO THE UNITED STATES.

Article.	1902.		1903.		1904.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Hemp.....tons..	44,810	\$7,261,459	70,526	\$12,314,312	60,912	\$10,631,591
Sugar.....pounds..	11,521,215	293,354	75,916,518	1,335,826	25,632,500	354,144
Tobacco.....		8,615		46,162		1,857
Copra.....pounds..	104	7	134,629	9,173	383,680	9,231
All other.....		128,308		157,586		105,952
Total.....		7,691,743		13,863,050		11,102,775

PROPOSED MODIFICATION OF PHILIPPINE TARIFF.

Inasmuch as the practical application of the tariff schedules in operation since November 15, 1901, and approved by the Congress of the United States March 8, 1902, naturally developed certain inequalities, a revision thereof was deemed advisable. With this idea in view, a committee composed of customs experts and Philippine business men was appointed to take evidence of persons interested, and to make report to the Philippine Commission as to changes needed in the existing tariff law, so as to enable the latter to recommend to Congress amendments to the law in such particulars as experience has shown the said law to be defective, inconsistent with itself, or oppressive in the matter of prohibiting useful importations.

This committee sat in Manila and availed itself of every source of information. The conclusions of the committee were reached after a careful discussion, and with one or two exceptions its report represents the unanimous opinion of the committee.

This report, together with the recommendations of the Philippine Commission and the collector of customs for the Philippine Islands, was transmitted to the War Department, and the original tariff and the changes suggested have been published side by side and will be given wide publicity in the United States, and suggestions and recommendations have been invited.

The descriptive language in many paragraphs in the old tariff has been changed for the purpose of securing more exact definition and description of articles without any change in the rates of duties which have been found to be equitable, imposing no undue burden on the commerce of the islands. In some cases the rates of duties have been increased and in others the rates have been reduced, the general average appearing to be to secure for most articles, except those of luxury, a rate of approximately 20 per cent.

Perhaps the most important change has been made in the machinery schedules, which have been removed from the specific to the ad valorem basis and the rates thereon ranging from 5 per cent on agricultural machinery to 20 per cent on electrical machinery, such as dynamos and motors, recommended.

Provision has been made for samples imported by commercial travelers to the value of \$2,000 to be imported under bond free of duty. The provisions for the free entry of personal effects have been made more liberal.

After the commercial bodies and others to whom the proposed tariff has been transmitted have submitted to this Bureau such suggestions and recommendations as they may care to make, all of the same will be carefully considered by the Secretary of War, and the final revision of the tariff schedules will be undertaken and transmitted to the Congress.

**SEPARATE TARIFF FUND IN UNITED STATES TREASURY TO
CREDIT OF PHILIPPINE ISLANDS.**

The amounts collected in the United States on products of the islands and on account of tonnage dues since March 8, 1902, to and including June, 1904, are shown by the following statement, which constitutes a separate fund in the United States accruing to the Philippine Islands:

Quarterly periods.	Duties	Tonnage.	Total.
April to June, 1902 ^a	\$8,663.30	\$364.32	\$9,027.62
July to September, 1902.....	5,699.45	456.00	6,155.45
October to December, 1902.....	57,682.00	353.22	58,035.22
January to March, 1903.....	126,988.65	822.42	127,811.07
April to June, 1903.....	11,351.07	343.56	11,694.63
Total fiscal year 1903.....	201,721.17	1,975.20	203,696.37
July to September, 1903.....	185,394.30	950.58	186,344.88
October to December, 1903.....	296,264.14	953.04	297,217.18
January to March, 1904.....	11,424.84	630.06	12,054.90
April to June, 1904.....	13,544.85		13,544.85
Total fiscal year 1904.....	506,628.13	2,533.68	509,161.81

^a Includes March, 1902, figures.

The foregoing statement shows the collections under each heading made since the date of the passage of the act. The amounts collected have continued to show considerable variation, exceptional shipments of sugar arriving at ports of the United States during the months of September, October, November, and December of 1903 being largely the cause of the increase noticed in those months.

Of the funds mentioned, the Treasurer of the United States has, upon request of the Secretary of War, deposited with the Philippine depository in New York, to the credit of the treasurer of the Philippine Islands, to and including June of 1904, the sum of \$721,885.80.

Refundable export duties during the period March 8, 1902, to June 30, 1904, have amounted to.....	\$1,050,906.00
United States collections for the same period.....	721,885.80

Difference or net loss sustained by insular revenues on account of refunds.....	329,020.20
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The effect of the operation of the act of March 8, 1902, upon the revenues of the islands is far from what it is believed was the intention of that legislation. Instead of a benefit to the islands, it has resulted in a constant loss. The act provides that duties collected on imports from the Philippines into the United States shall be turned over to the insular treasury. It also provides that on goods shipped to the United States from the Philippines on which no import duty is collected in the United States, the amount of export duty collected in the Philippines shall be subject to refund from insular revenues. As shown above, under these provisions there has resulted a drain on insular revenues because of large refunds of export duty on shipments of manila hemp, which is admitted into the United States free of duty. At the same time the legislation has had the effect of diverting the hemp direct to the United States.

COASTWISE TRADE.

On page 6 is quoted the legislation passed in the last session of Congress. It will be seen that this legislation deferred until July 1,

1906, the application of the United States coastwise law to the trade between the United States and the islands, and left with the Philippine Commission the control of the interisland coastwise trade until such time as the United States should provide legislation for vessels engaged therein.

INTERISLAND TRADE.

This authority is in accord with the recommendations of the Philippine government. The trade has been carried on under the rules prescribed by the insular government, amended and modified from time to time as conditions warranted. As the regulations had been the subject of some complaint, the civil governor, under date of December 8, 1903, directed a committee, consisting of the acting collector and other officials of the insular customs service, together with representatives of the local trade, to make an investigation and report with recommendations as to alleged hardships. The committee, after thoroughly inquiring into existing conditions and considering complaints and suggestions submitted by shipping interests, made the following recommendations as to the amendment of existing laws:

The application of a uniform license fee per net ton to vessels engaged in the same class of business, instead of the discriminating charges made under acts of the Philippine Commission No. 355 and No. 1026;

Modification of conditions governing entry of closed ports;

Exclusion of foreign vessels from local trade;

That the Quartermaster's Department be prohibited from chartering foreign vessels for use in Philippine waters;

An increase in the number of inspectors of hulls and boilers;

A modification in requirements as to carrying licensed officers on different classes of vessels;

Relaxation of quarantine restrictions in so far as safety permits; and

Additional docking and unloading space on the banks of the Pasig River for coastwise vessels.

With the findings and recommendations of the committee for guidance, it is believed that a supervision and control of the local carrying trade can be maintained that will not be a burden to owners, and which will at the same time protect the interests of the trade and of the government.

Under the provisions of section 117 of the Philippine customs administrative act there had been issued on June 30, 1903, as shown in the following tables, based on statements rendered by the collector of customs at Manila, 4,125 certificates of protection. During the next twelve months 447 additional certificates were issued, making the total number issued to and including June 30 of the present year 4,572.

Vessels with certificates of protection outstanding.

ACCORDING TO CLASS.

Class.	June 30, 1903.		June 30, 1904.	
	Number.	Gross tonnage.	Number.	Gross tonnage.
Steamers.....	106	46,990.55	117	49,781.14
Steam launches.....	172	8,110.60	182	8,477.94
Lighters.....	1,333	52,547.68	1,347	53,571.36
Sailing vessels.....	430	26,482.03	513	30,135.43
Small craft.....	2,081	9,706.71	2,413	11,329.88
Total.....	4,125	143,837.66	4,572	153,506.75

Vessels with certificates of protection outstanding—Continued.

ACCORDING TO ORIGIN.

Country.	June 30, 1903.		June 30, 1904.	
	Number.	Gross tonnage.	Number.	Gross tonnage.
Philippines.....	3,817	80,779.03	4,255	86,393.43
Hongkong.....	135	11,258.51	163	12,857.97
Singapore.....	27	1,188.27	28	1,239.40
United Kingdom.....	55	35,644.64	58	36,692.81
United States.....	22	3,158.16	25	3,850.32
Other countries.....	39	11,809.05	43	12,475.82
Total.....	4,125	143,837.66	4,572	153,509.75

The classification of Philippine vessels, as well as United States vessels, enumerated in the above statement, is as follows:

Class.	Philippine.		United States.	
	Number.	Gross tonnage.	Number.	Gross tonnage.
Steamers.....	14	2,528.97		
Steam launches.....	51	1,518.79	3	175.92
Lighters, sailing vessels, and small craft.....	4,190	82,345.67	22	3,674.40
Total.....	4,255	86,393.43	25	3,850.32

The following statement shows the number of vessels licensed (first and second class) to engage in local trade to June 30, 1903, the number of licenses issued during the fiscal year 1904, and the total number issued during the period of American occupation, at the entry ports mentioned: The number of small craft under 15 tons licensed according to the provisions of section 141 of act 355, heretofore estimated at 8,000 for the coastwise ports, has undoubtedly undergone a proportionate increase, but even with the use of that number as a basis in the absence of more recent figures, there were on June 30, 1904, approximately 20,850 vessels of all classes, with an aggregate tonnage of 176,761 tons, licensed to carry merchandise and passengers in the interisland trade.

Port.	From date of American occupation to June 30, 1903.		Fiscal year 1904. ^a		Total during period of American occupation.	
	Number.	Tonnage.	Number.	Tonnage.	Number.	Tonnage.
Manila:						
Steamers.....	110	32,296.92	5	2,003.80	115	34,300.72
Steam launches.....	132	3,186.46	7	324.82	139	3,511.28
Sailing vessels.....	406	20,847.06	30	1,900.43	436	22,747.49
Lighters, lorchas.....	851	36,796.80	10	883.25	861	37,680.05
Small craft.....	8,657	15,989.04	18	151.57	8,675	16,140.61
Total Manila.....	10,156	109,116.28	70	5,263.87	10,226	114,380.15
Other ports:						
Cebu.....	1,694	26,939.00	220	2,268.00	1,824	29,207.00
Iloilo.....	651	14,841.00	72	1,428.00	726	16,269.00
Jolo.....	9	687.00	30	153.00	39	840.00
Zamboanga.....	11	828.00	24	227.00	35	1,065.00
Total.....	2,278	43,305.00	346	4,076.00	2,624	47,381.00

^a As far as available records permit, vessels previously documented have been eliminated from the above figures.

During American occupation there has been a constant increase in coastwise tonnage entered and cleared at the different ports in the archipelago, as will be seen from the following figures obtained from official reports:

Gross tonnage—coastwise vessels.

Fiscal year.	Entered.	Cleared.
1899.....	124,158	136,53
1900.....	499,255	470,684
1901.....	705,503	709,474
1902.....	833,538	829,294
1903.....	855,627	856,097
1904.....	898,469	909,246

Act No. 520 of the Philippine Commission, under authority contained in the act of Congress of March 8, 1902, permitted strictly foreign vessels to engage in the Philippine coastwise trade under special licenses until July 1, 1904. Up to December 31, 1903, twenty of these licenses had been issued to foreign vessels, but on January 1, 1904, only fourteen of them were operating. These vessels ranged from 4 to 618 tons. Although the act of Congress approved April 15, 1904, gave the Philippine Commission power to extend the privilege referred to beyond July 1, 1904, the findings of the committee appointed by the civil governor on December 8, 1903, led to the recommendation that no more licenses be issued foreign vessels after the expiration of those already granted under the terms of act 520. As the aggregate tonnage of such vessels amounted to but little more than 2,000 tons, it is believed that the influence of their removal and the elimination thereby of a source of complaint on the ground of interference with the business of local shipping will be more beneficial than otherwise.

On the whole, statistics show a continued increase in the number and tonnage of vessels available to carry on trade between ports of the archipelago; and in concluding this subject I have only to renew my suggestion in regard to the registry of such craft—that all vessels licensed by the collector of customs to a certain date and operating in the interisland trade under the American flag shall be made eligible to United States registry, and thereafter admit only such as are built in the United States or in the Philippine Islands.

OCEAN CARRYING TRADE.

The figures on the carrying trade for the fiscal year 1904, as compared with previous years, show a decided increase in the volume of business done under the American flag. Including gold and silver, the total importations into the islands during 1904 aggregated \$34,303,480, of which amount \$2,101,234, or 6 per cent, was delivered in American vessels, this being an increase from \$738,712, or 2 per cent, of the total in 1903. British vessels carried \$16,358,774, an increase of more than \$2,000,000 over 1902; German, \$6,572,958; Spanish, \$4,879,778; Norwegian, \$1,218,238, and all other flags, \$3,172,498. Of the \$34,411,623 worth of exports shipped in 1904, \$3,250,315 left the islands under the American flag, an increase of \$2,584,815 over 1903; British vessels took \$23,945,645.

Of the \$4,843,616 worth of merchandise and coin received from the United States at Philippine ports during the fiscal year 1904, \$703,125 was carried in American bottoms.

Exports to this country aggregated \$11,102,860, all but \$2,906,169 leaving in foreign vessels.

The shipping movement in American bottoms during the past two years shows the entrance and clearance at the port of Manila with cargoes from and for the United States markets to be as follows:

	1903.		1904.	
	Number.	Tonnage.	Number.	Tonnage.
Entered.....	25	57,583	27	92,824
Cleared.....	15	44,405	21	67,595

The statistics given below as to foreign shipping tonnage engaged in the commerce of the islands for a number of years may prove of interest. The annual average during American administration has been 1,025,518 tons entered and 1,025,446 cleared from ports of the islands, a healthy showing when compared with the record for former years, the average for the period 1885 to 1894 being but 326,672 tons entered and 335,127 tons cleared. This increase in tonnage movement is clearly shown, the figures relating to the former administration being obtained from statistics published by the Spanish Government, while those for the last six years are according to returns of the present customs service of the islands.

The number of vessels and the amount of tonnage during any one of the last five years are unequaled by corresponding figures pertaining to yearly periods of Spanish administration for which statistics are available.

Foreign shipping tonnage, by five-year periods, 1885 to 1894.

Years.	Entered.		Cleared.	
	Number.	Tonnage.	Number.	Tonnage.
1885-1889.....	1,474	1,238,012	1,514	1,335,061
1890-1894.....	1,909	2,028,707	1,827	2,016,212
Annual average ten years, 1885 to 1894.....	337	326,672	334	335,127

Foreign shipping tonnage, by years, during United States administration.

Fiscal year.	Entered.		Cleared.	
	Number.	Tonnage.	Number.	Tonnage.
1899.....	767	424,651	777	435,585
1900.....	561	609,532	490	632,325
1901.....	734	984,790	684	951,902
1902.....	707	1,073,195	710	1,067,685
1903.....	956	1,499,115	926	1,529,589
1904.....	968	1,567,824	943	1,535,591
Total.....	4,693	6,159,107	4,530	6,152,677
Annual average six years, 1899 to 1904.....	782	1,026,518	755	1,025,446

IMMIGRATION.

The official returns on immigration into the Philippines for the fiscal year 1904 show the arrival of 27,988 immigrants, an increase of 3,852 over the number entering the islands during the previous year. According to nationality 13,151 were Americans, 9,098 Chinese, 2,770 Japanese, 941 Filipinos, 688 Spaniards, 409 English, and 940 all others. The increase in American immigration over last year is approximately 20 per cent. Of the 15,355 immigrants entering the islands for the first time, practically three-fourths came direct from the United States to engage in different professions and trades; most of them did not specify the nature of their occupation, but among those who did were 333 teachers, 117 engineers, 50 physicians, 47 clergymen, 33 lawyers, 406 clerks and accountants, 186 merchant dealers and grocers, 58 mariners, and 18 miners. Many of the above were through civil-service appointments from the United States.

Of the 9,098 Chinese going into the islands, more than 8,000 possessed certificates entitling them to readmission within a certain period. The remainder of those who entered for the first time were admitted under the exemption clause of the Chinese-exclusion act and include, among others, persons belonging to any learned profession.

The insular authorities have had considerable difficulty in enforcing the registration act, in that the Chinese themselves have not been favorable to it nor has local sentiment been favorable to the detection of unregistered Chinese. The period of registration expired April 29, 1904, having run the full two years allowed by the original act of Congress, at which date 49,659 certificates of residence had been approved and about 20 Chinese were subject to deportation in accordance with the provisions of the act, although the record is not yet complete.

PHILIPPINE EXPOSITION AT THE WORLD'S FAIR, ST. LOUIS.

The Philippine exposition (for such it is rather than an exhibit) has been acknowledged by all who have visited the great World's Fair to be the most interesting feature of the Louisiana Purchase Exposition. Its purpose and the law authorizing the same were set forth in last year's report.

It covers some 50 acres of ground, upon which have been erected about 100 buildings, and nearly 1,300 natives of the Philippines have been on the ground. For this purpose the total appropriation made by the Philippine government was \$946,302.36, in addition to which was the approximate sum of \$200,000 allotted by the Louisiana Purchase Exposition Company. In round numbers, to establish, maintain, break up, distribute, and return to Manila the Philippine exposition will cost some \$1,500,000. The revenues or receipts will be some \$500,000. The probable net cost to the Philippine government will be \$1,000,000.

Some 70,000 exhibits have been contributed by 10,000 exhibitors. They represent manufactured goods, fine arts, agriculture, game and fish, Philippine woods, and educational exhibits. The exhibits and native building material collected in the Philippine Islands and brought 10,000 miles to St. Louis, weighed some 10,000 tons. It was a tremendous undertaking, and the cost of the same has been a great burden upon the Philippine government. The work was under

charge of a board of three members, representing the Philippine government, who look to this Bureau, under the Secretary of War, for guidance and determination of a thousand and one questions requiring the action of higher authority.

The expenditure of this large sum of money, together with the collection and disbursement of funds derived from the exposition, concessions, per cent on sales and gate receipts, has therefore been under the final direction of this Bureau, as the representative of the Philippine government. The work has been absorbing.

Every precaution possible to insure the honest collection and disbursement of public moneys has been taken. The vouchers and accounts for all Philippine funds go to the auditor for the Philippine Islands for final audit, under as comprehensive a system as exists in any country. The funds contributed by the Louisiana Purchase Exposition Company were paid by a disbursing agent of the United States Treasury Department on vouchers approved by the Philippine Exposition Board, and were then filed in the United States Treasury Department for audit by United States auditors. To prevent duplicate payments from these two funds, a large force of clerks from this office copied every voucher relating to these expenditures and transmitted them to the Philippine Islands.

In addition several inspections have been made by the expert accountants of this Bureau and the results of the same reported to the Secretary of War and to the Philippine Commission. I have personally made, under orders of the Secretary of War, some six visits to St. Louis to hasten a completion of the work, to coordinate and organize the establishment and maintenance, and to help work out an accounting system, and to make every retrenchment possible in expenses. Monthly maintenance expenses have been reduced from over \$100,000 at the commencement of the exposition to less than \$40,000 at its termination. In spite of all these precautions, there have been minor peculations, which fortunately were detected and the guilty parties punished and removed.

The primary object of this exposition, as has been said, was to acquaint the people of the United States with the Philippine Islands. The fullest obtainable data relating to the history, ethnology, resources—in fact everything pertaining to the islands, is there collected, collated, and made available to the student and to the investigator. Anyone desiring to know the truth about the Philippines can inform himself by a visit to this Philippine exposition.

It has been an awful task, and has cost much money, but I believe it all worth while. It has excited the serious interest of individuals and collective American capital. A few investments that will tend to bring much closer the commercial relations between the United States and the Philippine Islands have already been made, largely, I think, induced by what was shown at this exposition, and there is much promise of large investments to follow.

Even from a commercial standpoint, it is believed the Philippine Commission will feel itself justified in spending the money that it did not anticipate was necessary to do what has been done. A full and detailed report has already been made to the Secretary of War on this subject.

This brief mention of the Philippine exposition would not be complete without a reference to the efficient labors performed by Mr.

A. L. Lawshe, the auditor for the Philippine Islands, in perfecting an administrative reorganization, and an ordered retrenchment of the cost of maintenance of the exhibit. Mr. Lawshe, at the request of the Philippine government, sacrificed a portion of the leave of absence granted to him after extended Philippine service, in order to take up this work in which he has been eminently successful.

VISIT OF THE HONORARY BOARD OF FILIPINO COMMISSIONERS TO THE
WORLD'S FAIR AT ST. LOUIS.

The opportunity offered by reason of the extensive participation of the government of the Philippine Islands at the World's Fair in St. Louis suggested to the Philippine Commission the wisdom of sending as large a representation as practicable of prominent Filipinos.

The consideration of this matter resulted in legislation creating a board of honorary commissioners of 50 Filipinos. The sum of \$75,000 was appropriated for the payment of traveling expenses, to enable the honorary commissioners to visit such cities in the United States as might be selected, and to meet the expense of a month's stay at the World's Fair in St. Louis. In this way this honorary commission, composed of men prominent in professional and commercial pursuits and selected from the different provinces throughout the islands, might become acquainted with this country and its institutions, meet the people and the prominent professional and commercial element of this country and at the same time afford an opportunity for the people of the United States to become acquainted with these representative men from the Philippine Islands.

Furthermore, in making the great ethnographical exhibit of the Philippine Islands at St. Louis, the civilized population was represented by the military organizations of 450 scouts and 300 constabulary, the Visayans in village life, and certain of the Filipino officials connected with the exposition. It was also considered essential, in order to make a true ethnological exhibit, that representatives of the various wild or non-Christian tribes should be represented. The attention which was liable to be attracted to these strange and wild tribes it was feared might overshadow, or at least receive undue consideration based on the proportion of the population of the Philippine Islands which they represented, and thereby create a false impression of the intelligence and habits of the Filipino people as a whole. This consideration was a further reason for the visit of the honorary commission, which visit was peculiarly fortunate for this reason in addition to other resultant benefits.

The appropriation of \$75,000 was manifestly insufficient to permit of any extensive trip throughout the United States, and therefore, despite the special transportation rates which this Bureau secured, it was only possible for this commission to visit such cities as would receive them as guests.

With this in view, and bearing in mind the fact that the commission was obligated to be in Manila within five months of the date of its departure, a suggested itinerary was prepared. It soon developed that it was only necessary to fully present the facts to the cities selected, whereupon, after a meeting of the commercial organizations and city officials with men of prominence, a formal invitation to the board to be their guests was extended. This was followed by much

correspondence in the arrangement of all the necessary details for a successful visit.

The honorary board was in charge of the executive secretary of the Philippine Islands, accompanied by an American disbursing officer. It sailed from Manila on the Pacific Mail steamship *Siberia*, April 23, visiting Japanese ports and Honolulu en route, where they were fittingly entertained, and arrived in San Francisco May 27. Upon arrival in that city the suggested itinerary and plans for the stay of this honorary commission in the United States was presented to that body, which expressed its approbation of the arrangements made and which were subsequently successfully carried out.

The board remained in San Francisco until the morning of June 1, during which time they were elaborately entertained, and then they left for Fort Leavenworth, Kans., being the guests of the commanding general and his officers at that post, thereby affording an opportunity to see a well-appointed garrison.

They next visited Cincinnati where they were entertained by the city, and especially by some of its prominent citizens. In Washington they were the guests of the President at luncheon, followed by a card reception, and were also given an elaborate reception in the rooms of the Army and Navy Club by a temporary organization composed of army and navy officials who had served in the Philippines. Meantime the Business Men's Association and the Board of Trade of Washington cooperated in showing them the various points of interest, and the Navy Department carried the party to Mount Vernon on board one of its cruisers.

After a two days' stop-over in Philadelphia, the party reached West Point and attended the graduation exercises of the Military Academy in company with the Secretary of War.

The feature of the three-days' stay in New York was a banquet extended them by the New York Chamber of Commerce. After leaving New York the commission visited the cities of Bridgeport, Fall River, Boston, Lynn, Buffalo, Pittsburg, Cleveland, Detroit, and Chicago, in each of which a stay of from two to three days was made, reaching St. Louis on July 14.

The visits to these various cities were, without exception, characterized by elaborate preparations for their entertainment and hospitable treatment. The untiring efforts for their reception and entertainment was much appreciated by all, and the only complaint the board had to make was that they were almost killed by kindness.

The Secretary of War directed that several officers of the Army and members of the force of this Bureau, who were personally known to many members of the board and who had a speaking knowledge of Spanish, should accompany them, and they did everything possible toward making the trip a success. This was especially true of Lieutenants Van Voorhis and Young, who accompanied the commission from Leavenworth around the circle and back to St. Louis. They were untiring in the performance of the duties assigned them.

A month was spent at the St. Louis fair in their official capacity as commissioners, and advantage was taken of their presence by dividing them up as jurors of awards to the various classes of exhibits in the Philippine exposition, for which they were especially qualified and fitted. In this capacity they rendered excellent service. They were much impressed with what they saw, and expressed pardonable pride

in what had been accomplished in the representation of the Philippine Islands.

On August 16 the party left St. Louis for the Pacific coast to become the guests of Seattle and Portland, and then proceeded to San Francisco, where they arrived on August 23. After several days of much-needed rest in that city the honorary board sailed for Manila on the Pacific Mail steamship *Manchuria* August 30, with many regrets that their stay in this country could not have been longer.

Their visit was worth while, and of much good.

FILIPINO STUDENTS IN THE UNITED STATES.

In the last annual report mention is made and the Philippine law quoted relating to the education of Philippine government students in the United States and appropriating moneys for that purpose.

At present there are in the United States 112 Philippine students and 28 on the way to this country. These students have been entered in the following educational institutions:

Cincinnati University, Cincinnati, Ohio.
 Columbia University, Portland, Oreg.
 Cornell University, Ithaca, N. Y.
 Dixon Business College, Dixon, Ill.
 Drexel Institute, Philadelphia, Pa.
 Eastman Business College, Poughkeepsie, N. Y.
 Georgetown University, Washington, D. C.
 High School, Ann Arbor, Mich.
 Holy Cross College, Worcester, Mass.
 James Milliken University, Decatur, Ill.
 Manual Training High School, Indianapolis, Ind.
 Massachusetts Institute of Technology, Boston, Mass.
 Notre Dame University, Notre Dame, Ind.
 Oberlin Academy, Oberlin, Ohio.
 Pennsylvania School of Art and Design, Philadelphia, Pa.
 Purdue University, Lafayette, Ind.
 Sacred Heart College, Watertown, Wis.
 Santa Clara College, Santa Clara, Cal.
 St. Edwards College, Austin, Tex.
 St. Johns College, Fordham, N. Y.
 State Agricultural College, Ames, Iowa.
 State Agricultural College, Lansing, Mich.
 State Normal School, Dekalb, Ill.
 State Normal School, Normal, Ill.
 State Normal School, Trenton, N. J.
 State Normal School, Oswego, N. Y.
 State Normal School, West Chester, Pa.
 State University, Bloomington, Ind.
 State University, Columbia, Mo.
 State University, Knoxville, Tenn.
 Villa Nova College, Philadelphia, Pa.

Wherever practicable the student's predilection has been considered in the choice of courses, which is summed up in the following subjects: In law 8, medicine 6, art 2, normal courses 30, domestic science 2, commercial courses 10, engineering 27, agriculture 18, lithography 1, architecture 1, and general courses 7.

There are two young women among this lot, who stood at the head of some 375 in a recent competitive examination in the Philippines, and three more are en route.

These students were selected from those most advanced in fair proportion from the various provinces of the Philippine Islands, after

exhaustive examinations not only as to their educational qualifications but as to their moral and physical fitness.

A high standard was set for these students, but the difficulty was that their basic education, through the shortness of the time that they had been under the advantage of American control of the schools, had not generally been thorough or advanced enough to prepare them properly to enter university courses upon arrival in this country.

Hence under the requirements of the law allowing but four years' stay in the United States, it became necessary to give them the greatest advantages possible in that short time. This difficulty will improve year by year as American methods assert themselves, and it is only reasonable to believe that in a short time the lads will come to this country well fitted to take up university courses upon arrival.

The first lot of 100 arrived in San Francisco November 9, 1903. They were placed in schools throughout southern California on account of the favorable winter climate of that locality, with the intention in the following year to bring them East in a body that they might visit the World's Fair and afterwards be distributed throughout the eastern part of the United States.

This plan permitted of their distribution throughout the schools of the United States and made it possible without any appropriation additional to their regular allowance for them to spend a month at the World's Fair. This allowance is but \$500 a year and covers all expenses of education and maintenance, including such spending money as is allowed to students each month. It would not have been possible without exhausting this allowance to have allowed these lads to visit the World's Fair, which so contributed to their general information, and return again to the West.

It has been thought best, wherever practicable, to place these students in nice American families, where they would grow up as American lads, and where they would have the influences of the American home and be taken care of in the vacation as well as in the scholastic year.

When institutions located in small towns were found that offered suitable courses, they were selected in preference to those in larger cities. It was also thought wise to separate these lads, so that they might more rapidly improve in the English language and not clannishly associate with one another.

Their stay in California was entirely satisfactory. They all lived in private American families who had not taken boarders before and made an excellent impression. The families liked them and were sorry when they left and offered to take any others that might be brought to that section. The boys were earnest in their studies and made definite progress. The only serious complaint was that they devoted too much time to their studies and too little to outdoor exercises.

They were brought East and remained with the Philippine exposition at the World's Fair for the month of August. They all spoke English and volunteered to act as guides and hosts in the various Philippine government buildings, explaining the exhibits and the life and customs of the Philippines to the public.

At the commencement of the scholastic year they were distributed to the various schools in which they had been previously entered.

These schools had been selected according to the special courses

that they promised and according to each boy's qualifications and professional or business aspirations.

In the placing of students in the various educational institutions certain complaint was made to the Department that sufficient care had not been taken by the Philippine government in insuring to these students the same religious influences that surrounded them at home and that should be continued to them here. The Secretary of War directed that the parents and guardians of all pupils appointed by the civil governor of the Philippines, where they are under 21, or the pupils themselves, if adults, should be consulted as to the religious faith of the pupil and whether he attend a denominational institution, or if the branch of study to be pursued prevent the use of a denominational school, then he should be consulted as to whether or not he desires to be placed in a family having any particular religious faith, and that the wishes of the parent, guardian, or student should govern as far as practicable as to denominational schools and in all cases as to home influences, the position of the Department being expressed as follows:

In a system of public instruction in which the pupils are only in the school for a few hours during the day and are still subject completely to the moral and religious teaching of their parents and their home church the government may properly decline the responsibility for the religious education of the pupils, but when the government takes pupils from their homes into a new and strange country it can not properly rid itself of responsibility for the continuance of the same moral and religious surroundings that its wards had at home.

The results so far obtained at the completion of the first year of the first hundred Filipino students' stay in this country indicate the wisdom of the Philippine government's philanthropic experiment. Every promise is given that the great majority of these students appreciate the opportunities offered and will go back and spend the four years in the Philippine government service required by their contract agreement, devoting themselves then and thereafter to the best interests of the government, and exercising an enlightening influence upon their countrymen, which it is hoped will tend to the development of an intelligent public opinion.

CAPTURED INSURGENT DOCUMENTS.

Mention was made in the report of last year of a division of work in this Bureau on some 200,000 documents which were captured at different times from the insurgents in the Philippines. A scheme for their publication in five volumes was also submitted, which gained the approval of the former Secretary of War, the estimated cost of which was some \$15,000. During the past year the work of examining and arranging the papers of the Filipino insurgent leaders has been continued with a view to their reference and also to their subsequent publication.

They have all been examined and have been arranged so that those of interest—about 16,000—may be quickly referred to. These papers are in Spanish and in native languages; many of them are in bad condition, as the ink is fading and the paper originally of very poor quality.

I renew my recommendation that authority be granted for their publication. They form the material and the only material from which that chapter of the history of the United States can be written. These papers comprise many of the orders and decrees of the govern-

ment established by Emilio Aguinaldo, and they must be consulted by anyone desiring to ascertain what that government really was; and these papers compose the largest mass of data extant upon the methods, the hopes, and the aspirations of the insurgent leaders. They show what they did and what they did not do. They give a measure of their capacity for government, and in view of the completion of the Philippine census it would be well that these papers should be rendered available to readers.

These documents were captured in many different places and were selected from a great mass of similar papers by officers who had to act in haste, and who were in many cases imperfectly acquainted with the language in which they were written. It is therefore natural that there should be breaks in the continuity of the record. By publishing them now, at a time when the memory of the conditions under which they were written is still fresh, introductory notes can be added which will enable the reader who is not acquainted with the subject to ascertain those conditions. If it is delayed that knowledge will disappear, and these papers taken by themselves, without such introductory notes, would be blind.

The purpose of their publication should be to give a true picture of the Filipino insurgent government as a whole, and not in any one of its departments. It will be necessary to publish papers of many different classes; papers showing how the war was conducted; papers showing how taxes were laid and collected, and how provincial and municipal governments were conducted.

To do this it is recommended that they be published as exhibits to a narrative of the events to which they relate. Only in this manner can they be properly coordinated. Two volumes of this publication are completed, arranged, and ready for the printer.

RECEIPTS AND EXPENDITURES IN THE PHILIPPINE ISLANDS.

Compilations, in detail, of receipts and expenditures, and all other financial transactions, with resulting several balances, showing the fiscal affairs of the Philippine government from the date of American occupation, accumulatively to the current period, have been continued.

The accounting system in the Philippine Islands, built upon experience there and in Cuba and Porto Rico, in which United States accounting methods were followed as far as practicable and adequate, has been faithfully and intelligently applied. A serious problem with accounting officers was the proper adjustment of all accounts concerned with Mexican money, the currency which predominated until July 1, 1903, when it was replaced by the new Philippines currency, authorized by the Congress and the Philippine Commission. It had been determined that a single currency expression in accounting did not properly protect the government. The audit of accounts was made in respective currencies. The benefit of this method was at once apparent, as it prevented the indiscriminate, unauthorized exchange of currencies by officers handling the government's funds.

When the ratio of exchange between Mexican and United States currency was favorable to the scheme, unauthorized exchanges of currency were made without any gain to the insular government, and when the collecting and disbursing officials could show a legitimate loss in the United States values of funds held during a period of

shrinkage, it was the natural tendency to claim credit for this loss. To the amplified accounting system, therefore, is due the saving from further loss in this wise. These problems have been increased by the necessity for comprehending the Philippines currency along with United States and Spanish-Filipino currency, all of which moneys were legal tender in the islands during the past year.

July 1, 1903, the Philippines currency became the legal preferable expression of all values in the islands. The proper adjustment of the accounting system and of open running accounts to the new Philippines currency has been accomplished.

In order that this Bureau might prepare statements of the fiscal affairs of the islands in such manner as to meet the requirements of Congress and others interested, as well as for publication when desirable, the auditor of the Philippines was called upon to furnish detailed abstracts to accompany each and every account settled. It is a tribute to the system that two offices—that of the auditor in preparing compilations to meet the needs of the Commission and the various bureaus at Manila, and this Bureau in meeting inquiries in this country—have reached the same results in compilations where more than 5,000 separate certificates of settlements of accounts have been the basis of the respective reports. The system of bookkeeping in vogue at Manila permits the auditor to draw monthly balances of all accounts in the islands, making the revenue and expense tables no longer statistical compilations, but actual ledger accounts. Such a comprehensive and complete system of accounting is not often undertaken, and yet is so simple withal that the force engaged in the bookkeeping work is less by one-half than it was under the single-entry system of accounting.

A condensed statement follows of revenues and expenditures of all funds from the date of American occupation, expressed in United States currency value, showing audited figures, except for the last fiscal year, which are estimated upon the basis of the treasury transactions and such certificates of settlement by the auditor as are now at hand:

Revenues.	1899.	1900.	1901.	Total to 1901.
Customs.....	\$3,097,861.15	\$5,739,297.40	\$9,105,701.99	\$17,942,860.54
Refundable export duties.....				
Postal.....	42,954.87	104,282.54	122,832.63	270,070.04
Internal.....	210,754.00	561,998.08	970,372.46	1,743,124.54
Provincial.....				
City of Manila.....				
Miscellaneous.....	177,109.81	492,762.51	554,552.87	1,225,425.19
Total.....	3,558,682.83	6,899,340.53	10,753,459.95	21,211,483.31

Revenues.	1902.	1903.	1904.	Total.
Customs.....	\$8,467,640.00	\$9,214,919.14	\$8,745,854.17	\$44,371,706.85
Refundable export duties.....	76,981.98	523,924.10	426,916.73	1,027,822.81
Postal.....	137,588.92	145,702.53	133,817.22	687,178.71
Internal.....	222,656.55	221,640.45	270,254.10	2,487,675.64
Provincial.....	2,008,480.88	2,527,252.93	3,243,956.40	7,779,690.21
City of Manila.....	1,199,593.21	1,541,575.85	1,931,497.30	4,672,666.36
Miscellaneous.....	549,620.32	1,192,598.59	972,590.12	3,940,224.22
Total.....	12,602,561.86	15,567,643.59	15,724,886.04	64,906,574.80

Expenditures.	1899.	1900.	1901.	Total to 1901.
Customs.....	\$28,817.90	\$100,194.09	\$267,446.88	\$396,458.87
Refundable export duties refunded.....				
Postal.....	30,410.75	89,119.51	159,028.51	278,558.77
Provincial.....				
Proportion of provincial revenues collected for and turned over to municipalities.....				
City of Manila.....				
Other expenditures.....	2,317,098.47	4,569,450.06	6,017,921.45	12,904,469.98
Total.....	2,376,327.12	4,758,793.66	6,441,396.84	13,579,517.62

Expenditures.	1902.	1903.	1904.	Total.
Customs.....	\$519,074.18	\$644,822.08	\$701,433.80	\$2,261,788.93
Refundable export duties refunded.....		133,675.32	502,173.99	635,849.31
Postal.....	175,232.48	213,450.93	218,241.60	955,516.78
Provincial.....	716,586.80	1,177,611.67	1,480,628.70	3,491,827.17
Proportion of provincial revenues collected for and turned over to municipalities.....	1,139,705.04	1,518,541.14	1,901,928.20	4,560,174.38
City of Manila.....	1,649,399.32	2,118,597.86	2,381,421.75	6,149,418.93
Other expenditures.....	7,344,556.57	9,243,460.58	10,009,556.75	39,562,613.88
Total.....	11,574,554.39	15,070,157.58	17,285,987.79	57,569,617.38

Under the law three-tenths (30 per cent) of the expenses of the city of Manila are borne by the insular government.

The accounting officers of the insular government undertake to show a properly authenticated voucher for every dollar collected and expended and stated balances for the difference between the receipts and disbursements of government funds.

During the fiscal year 1904 the insular government contributed to the support of the provincial governments to the amount of \$123,452.03, besides ceding to provinces the amount of all taxes collected for timber cut in the several provinces, after deducting pro rata the expense of the insular forestry bureau, the refund amounting to \$140,642.05 during the fiscal year 1904. The sum of \$100,942.50 was loaned to provinces, and under authority of act 799 the sum of \$7,824.25 was advanced to provinces to reimburse losses from defalcation or other wrongful acts of officials, pending settlement by the bond companies, when the sums were returned to the insular government.

Under the authority of act of Congress March 8, 1902, refundable customs export duties were collected during the year to the amount of \$426,916.73, and the sum of \$502,173.99 was refunded for this account. Ordinary customs duties were refunded to the amount of \$37,616.50.

The following statement shows the consolidation account current of the treasurer of the Philippine Islands for the fiscal year ended June 30, 1904, expressed in United States currency values at 2 for 1 for Philippines currency, and at the respective ratios prevailing at the close of several months during the year for Mexican and Spanish-Filipino currency:

Treasurer's actual cash balance July 1, 1903.....	{ P 3,209,000.00
Less overdraft in Mexican currency.....	{ \$9,253,803.09
	Pfs. 539,269.39

Equals expressed in United States currency..... \$10,627,219.32

Deposits from—

Customs revenues.....	\$8, 713, 431. 16
Postal revenues.....	140, 399. 86
Internal revenues.....	275, 033. 23
Miscellaneous revenues.....	1, 071, 985. 24
City of Manila revenues.....	1, 919, 739. 88
Payments and repayments to appropriations.....	5, 350, 725. 05
New coin and proceeds sale proof sets.....	8, 320, 669. 28
Certificates of indebtedness gold-standard fund.....	6, 102, 630. 00
Certificates of indebtedness friar-lands bonds.....	7, 530, 390. 00
Gain by change in ratio of exchange.....	16, 890. 03
	<hr/> 50, 069, 113. 05
Withdrawn from treasury.....	33, 573, 551. 46
Treasurer's actual cash balance June 30, 1904.....	<div style="display: inline-block; vertical-align: middle;"> <div style="display: inline-block; vertical-align: middle;"> P 3, 984, 810. 07 \$13, 352, 135. 93 Pfs. 2, 532, 245. 37 </div> <div style="display: inline-block; vertical-align: middle; font-size: 3em; margin: 0 10px;">{</div> </div>
	<hr/> 16, 495, 561. 59
	<hr/> 50, 069, 113. 05
Analysis of treasury balance:	
Congressional relief fund—	
Balance of appropriation undrawn.....	770, 931. 73
Unpaid warrants outstanding.....	50, 000. 00
Available funds for appropriation.....	451, 964. 26
Gold-standard fund—	
Balance of appropriations undrawn.....	1, 796, 243. 69
Available funds for appropriation.....	2, 835, 551. 78
Friar-lands funds, available funds for appropriation.....	7, 530, 390. 00
General fund—	
Balance of appropriations undrawn.....	3, 295, 313. 80
Unpaid warrants outstanding.....	35, 466. 09
Total.....	16, 765, 861. 35
Less, general fund, amount appropriated in excess of available funds in treasury.....	270, 299. 76
Net total.....	<hr/> 16, 495, 561. 59

From the date of American occupation to June 30, 1903, there was a total net loss to the insular government by exchanges of currency and fluctuations in ratios of exchange of \$1,294,088.97 United States currency value. The aggregate revenues of the Philippine Islands from the date of American occupation to June 30, 1903, were \$48,228,939.41; so that the loss on account of the unstable currency was nearly 3 per cent of the total gross revenues. A gain of \$16,890.03 on the increased value of funds in the hands of the treasurer is noted for the fiscal year 1904.

No better argument in justification of the establishment of the new currency system for the islands can be advanced than the future saving from loss in this way.

A condensed statement of the gold-standard fund to June 30, 1904, expressed in United States currency value, is as follows:

Proceeds of bonds issued.....	\$9, 178, 020. 00
Philippines currency (metal) deposited (P 19,841,338.56).....	9, 920, 669. 28
Premium on transfer drafts and interest on deposits.....	34, 861. 61
	<hr/> 19, 133, 550. 89
Purchase of bullion and other expenses.....	8, 034, 567. 35
Spanish-Filipino coins for recoinage (Pfs. 7,686,000).....	3, 437, 188. 07
Retirement of first series of bonds.....	3, 000, 000. 00
Balance in treasury to the credit of the fund.....	4, 631, 795. 47
	<hr/> 19, 133, 550. 89

Greater accuracy in stated results has been achieved by the method of keeping so-called reimbursement accounts. The former custom was to treat all receipts as revenues, whether initial collections or redeposits at the treasury of the unexpended balances of appropriated moneys, or receipts from sales of supplies and other repayments. The auditor of the Philippine government, with the concurrence of the civil governor first had, and in pursuance of authority granted by Act 90 of the Philippine Commission, adopted a plan on July 1, 1903, for stating all the reimbursable appropriations as separate accounts, thus preventing inflation of revenue and expense accounts. The appropriations for the purchase of supplies are reimbursed by the amount of all sums deposited as proceeds of sales of supplies, whether made by the purchasing agent, constabulary, or other supply officers, and the proceeds of sales of rice and carabaos, distributed under the arrangement for relief of distress in the islands, are likewise returned to the appropriations furnishing the purchase money. The result of this is that the expense account is not charged with these investments, nor is the revenue account inflated by the returns.

At the request of the Auditor for the Philippine Islands, the chief accountant of this Bureau was sent to Manila last year, reporting there on May 1, 1903, and returning to his duties in this Bureau on August 1, 1904.

Under the direction of the Auditor for the Philippine Islands, new books were opened, providing a double-entry system for all accounts, including appropriations, the gold-standard fund, and the so-called statistical accounts, comprehending revenues and expenditures of all funds. Commenting upon the system recently the Auditor states:

We are now able to draw monthly balance sheets of all accounts, showing the status of the treasurer's account, other personal accounts, revenues, appropriations, and expenditures of all the funds controlled.

This chief accountant was appointed deputy insular auditor during his visit to the Philippines and sent to the Moro Province at the time of its organization to cooperate with the authorities there in creating an accounting system for that province which would meet the demands of the provincial officers and not be inconsistent with insular accounting methods. This work was accomplished with the approval of the governor of the province, and the system has been continued.

The bookkeeping and disbursing division of the bureau of the insular purchasing agent at Manila was also reorganized. The work of this bureau has been highly commended by the insular authorities.

Reports and certificates now made by the Auditor have been very comprehensive, and a great saving of correspondence and time needed for compilation has been accomplished.

LAW OFFICER.

The work of this valuable adjunct to the Bureau has continued with the same volume and interest as in previous years along the lines set forth in my last annual report. The progress of the work performed by the Bureau in connection with the purchase of supplies for the government of the Philippine Islands; the preparation, transportation, and installation of the Philippine exhibit at the Louisiana Purchase Exposition, and the ordinary routine work of the Bureau

Deposits from—

Customs revenues.....	\$8, 713, 431. 16
Postal revenues.....	140, 399. 86
Internal revenues.....	275, 033. 23
Miscellaneous revenues.....	1, 071, 985. 24
City of Manila revenues.....	1, 919, 739. 88
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Certificates of indebtedness gold-standard fund.....	6, 102, 630. 00
Certificates of indebtedness friar-lands bonds.....	7, 530, 390. 00
Gain by change in ratio of exchange.....	16, 890. 03

50, 069, 113. 05

Withdrawn from treasury.....

33, 573, 551. 46

Treasurer's actual cash balance June 30, 1904.....

P 3, 984, 810. 07
\$13, 352, 135. 93
Pfs. 2, 532, 245. 37

16, 495, 561. 59

50, 069, 113. 05

Analysis of treasury balance:

Congressional relief fund—

Balance of appropriation undrawn.....	770, 931. 73
Unpaid warrants outstanding.....	50, 000. 00
Available funds for appropriation.....	451, 964. 26

Gold-standard fund—

Balance of appropriations undrawn.....	1, 796, 243. 69
Available funds for appropriation.....	2, 835, 551. 78

Friar-lands funds, available funds for appropriation.....

7, 530, 390. 00

General fund—

Balance of appropriations undrawn.....	3, 295, 313. 80
Unpaid warrants outstanding.....	35, 468. 09

Total..... 16, 765, 861. 35

Less, general fund, amount appropriated in excess of available funds in treasury.....

270, 290. 76

Net total..... 16, 495, 561. 59

From the date of American occupation to June 30, 1903, there was a total net loss to the insular government by exchanges of currency and fluctuations in ratios of exchange of \$1,294,088.97 United States currency value. The aggregate revenues of the Philippine Islands from the date of American occupation to June 30, 1903, were \$48,228,939.41; so that the loss on account of the unstable currency was nearly 3 per cent of the total gross revenues. A gain of \$16,890.03 on the increased value of funds in the hands of the treasurer is noted for the fiscal year 1904.

No better argument in justification of the establishment of the new currency system for the islands can be advanced than the future saving from loss in this way.

A condensed statement of the gold-standard fund to June 30, 1904, expressed in United States currency value, is as follows:

Proceeds of bonds issued.....	\$9, 178, 020. 00
Philippines currency (metal) deposited (P 19,841,338.56).....	9, 920, 669. 28
Premium on transfer drafts and interest on deposits.....	34, 861. 61

19, 133, 550. 89

Purchase of bullion and other expenses..... 8, 034, 567. 35

Spanish-Filipino coins for recoinage (Pfs. 7,686,000)..... 3, 437, 188. 07

Retirement of first series of bonds..... 3, 000, 000. 00

Balance in treasury to the credit of the fund..... 4, 631, 795. 47

19, 133, 550. 89

Greater accuracy in stated results has been achieved by the method of keeping so-called reimbursement accounts. The former custom was to treat all receipts as revenues, whether initial collections or redeposits at the treasury of the unexpended balances of appropriated moneys, or receipts from sales of supplies and other repayments. The auditor of the Philippine government, with the concurrence of the civil governor first had, and in pursuance of authority granted by Act 90 of the Philippine Commission, adopted a plan on July 1, 1903, for stating all the reimbursable appropriations as separate accounts, thus preventing inflation of revenue and expense accounts. The appropriations for the purchase of supplies are reimbursed by the amount of all sums deposited as proceeds of sales of supplies, whether made by the purchasing agent, constabulary, or other supply officers, and the proceeds of sales of rice and carabaos, distributed under the arrangement for relief of distress in the islands, are likewise returned to the appropriations furnishing the purchase money. The result of this is that the expense account is not charged with these investments, nor is the revenue account inflated by the returns.

At the request of the Auditor for the Philippine Islands, the chief accountant of this Bureau was sent to Manila last year, reporting there on May 1, 1903, and returning to his duties in this Bureau on August 1, 1904.

Under the direction of the Auditor for the Philippine Islands, new books were opened, providing a double-entry system for all accounts, including appropriations, the gold-standard fund, and the so-called statistical accounts, comprehending revenues and expenditures of all funds. Commenting upon the system recently the Auditor states:

We are now able to draw monthly balance sheets of all accounts, showing the status of the treasurer's account, other personal accounts, revenues, appropriations, and expenditures of all the funds controlled.

This chief accountant was appointed deputy insular auditor during his visit to the Philippines and sent to the Moro Province at the time of its organization to cooperate with the authorities there in creating an accounting system for that province which would meet the demands of the provincial officers and not be inconsistent with insular accounting methods. This work was accomplished with the approval of the governor of the province, and the system has been continued.

The bookkeeping and disbursing division of the bureau of the insular purchasing agent at Manila was also reorganized. The work of this bureau has been highly commended by the insular authorities.

Reports and certificates now made by the Auditor have been very comprehensive, and a great saving of correspondence and time needed for compilation has been accomplished.

LAW OFFICER.

The work of this valuable adjunct to the Bureau has continued with the same volume and interest as in previous years along the lines set forth in my last annual report. The progress of the work performed by the Bureau in connection with the purchase of supplies for the government of the Philippine Islands; the preparation, transportation, and installation of the Philippine exhibit at the Louisiana Purchase Exposition, and the ordinary routine work of the Bureau

developed many questions of law which required the consideration of the law officer.

The decisions of the courts in the United States and in the Philippine Islands have settled many of the general questions of a controversial nature, and reaffirmed general principles, that while old to us were new to the Philippines in that they were for the first time to be applied to those islands and people. The trend of events, the logic of accomplished facts, have decided in most instances as to the manner and method of applying these general principles of government where discretion was vested in the Federal authorities. As to many other questions, the rule has been established by the action of the Secretary of War and others having authority to deal with administrative questions. The precedents so made have relieved the law officer of much labor in that field, but new questions and unprecedented situations are continually arising, involving, however, special rather than general propositions.

At the time of my last report there were a number of cases pending in the United States Court of Claims and in circuit courts of the United States wherein claimants sought to recover import and export duties exacted by the military government of the Philippine Islands on commerce passing between ports in the States of the Union and the Philippine Archipelago during the time elapsing between December 10, 1898 (the date the treaty of peace was signed), and March 8, 1902, the date of the passage of the act of Congress entitled "An act temporarily to provide revenue for the Philippine Islands." The amount collected by the Philippine government on imports from the United States during this period aggregated approximately \$2,491,037.

The treaty of peace with Spain provided that for the period of ten years Spanish goods were to enter the ports of the Philippines upon the same terms and conditions as goods from the United States. The amount collected by the government of the Philippine Islands on Spanish goods coming into the islands during the period above mentioned aggregated approximately \$2,347,089, making a total of \$4,838,126.

A test case was made of the cause entitled *Warner, Barnes & Co. v. The United States*. At the request of the Department of Justice the law officer of this Bureau prepared a brief in support of the proposition that the collection of said customs duties during said period of time was justified (1) as an exercise of the lawful authority of the President, as commander in chief, to impose conditions upon the privilege of engaging in trade with territory subject to military occupancy by the military forces of the United States; (2) as an exercise of the lawful authority of the military government of territory subject to military occupancy to secure revenue to provide funds for defraying the expense of the administration of the affairs of civil government in the territory so occupied; (3) as an exercise of the legislative powers of the United States, authorized, ratified, and confirmed by the Congress of the United States. A copy of said brief is transmitted herewith.

This test case was argued by Assistant Attorney-General Pradt and the law officer of this Bureau at the January, 1904, term of the United States Court of Claims. The judgment of the court was rendered on May 5, 1904, and sustained the levy and collection of said duties

as being a lawful exercise of military authority in territory wherein prevailed the conditions of war. A copy of said opinion is herewith transmitted.

The brief prepared in this Bureau, in addition to a full discussion of the legal questions involved, contains a comprehensive review of the historical facts relating to the military operations of the Army, the administration of the military government, and the establishment of civil government of the Philippine Islands.

By order of the President, dated May 9, 1904, the Isthmian Canal Commission and the affairs subject to their jurisdiction were placed under the direction and control of the Secretary of War. By direction of the Secretary the law officer of this Bureau was assigned the work of acting as the legal adviser for that Commission, and on July 1, 1904, he was appointed general counsel for the Isthmian Canal Commission and given an indefinite leave of absence without pay, although he continues to render service to this Bureau. With reference to isthmian affairs the law officer has filed four important reports of general interest on the following subjects:

A review of the several constitutions proclaimed and recognized in New Granada, United States of Colombia, and Panama, and the causes leading to the establishment and abrogation of said constitutions; a review of the treaty between the United States of America and the Republic of New Granada, dated October 3, 1846, and the policy and purposes of the United States with reference to the Panama Canal, as shown by state papers and administrative action; a review of the treaty between the United States and the Republic of Panama, dated November 18, 1903; report on the right of the United States to exercise sovereign powers in the Canal Zone, Isthmus of Panama.

Since my last annual report the law officer of this Bureau has filed twenty-eight written opinions on matters connected with insular affairs. Attention is called to the fact that there are now on file in this Bureau a sufficient number of reports by the law officer to make a second volume, similar in character to the one already published bearing the title "The Law of Civil Government under Military Occupation," and I suggest the publication of said reports in book form.

PUBLICATIONS.

"LIBRARY OF INSULAR DOCUMENTS."

In last year's report attention was directed to a compilation of public documents issued by the Government since before the outbreak of the Spanish war to date relative to Cuba, Porto Rico, the Philippines, and other insular possessions. These documents were collected from every known and available source. They include Congressional documents and publications issued by the various Executive Departments of the Government as well as the insular governments. They have been bound together in volumes of convenient size to the number of 215, containing approximately a quarter of a million pages. That these voluminous publications might be consulted with advantage, an index was prepared containing over 13,000 references. The references in the index are not only to the compilation by volume and page, but to the identifying designations of Congressional and Executive

documents, reports, and hearings, together with the page numbers therein.

Specimen pages of this index were transmitted to Congress March 8, 1904, by the Secretary of War with the following remarks:

I believe that if this index could be printed it would be peculiarly valuable to Members of Congress as well as to Government officials, to the libraries, and to the public, and thereby make available the information contained for that period in the terra incognita of public documents.

I would therefore recommend that a concurrent resolution providing for the printing of this index be introduced, as the purposes which such publications would fulfill would hardly warrant that the expense should be borne by the small allotment for printing to the War Department.

In accordance with this recommendation the United States Senate, on March 17, 1904, passed the following concurrent resolution:

Resolved by the Senate (the House of Representatives concurring), That there be printed and bound five hundred copies of the index to the documents now compiled in the War Department relating to affairs in Cuba, Porto Rico, the Philippines, and other insular possessions of the United States for the use of the War Department.

Owing to the shortness of the session the resolution is awaiting the concurrence of the House. The index is still in typewriting.

The compilation is still going on as publications come from the press.

"COMPILATION OF ACTS, TREATIES, AND PROCLAMATIONS."

The compilation of acts of Congress, treaties, and proclamations relating to insular and military affairs from March 4, 1897, to March 3, 1903, has been completed, indexed, and published as Senate Document No. 105, Fifty-eighth Congress, second session, and gives in convenient form all insular legislation subsequent to the outbreak of the Spanish-American war. It is a convenient and valuable reference book.

"ESTABLISHMENT OF FREE GOVERNMENT IN CUBA."

In order to meet inquiries respecting the military government of Cuba, a brief compilation of 30 pages was prepared, setting forth in detail the documentary history of the inauguration of the Cuban Republic, and also a brief but comprehensive review of the administration of the government of intervention in Cuba under military occupation.

The same was transmitted to the Senate and printed by it as a Senate document.

"GAZETTEER."

The Gazetteer of the Philippine Islands, of which two editions have been exhausted, has been revised and brought down to date, to include all available data secured both from the forthcoming census and other official sources. This Gazetteer has been in great demand. All that was claimed of it when printed was that it furnished the best then existing available information and formed a basis upon which a second edition could be made a valuable and accurate work.

That accurate work is now ready for publication. I recommend that Congress, by similar resolution that resulted in its first publication, authorize a revised edition.

“WHAT HAS BEEN DONE IN THE PHILIPPINES.”

The Bureau was daily in receipt of many inquiries asking what had been done in the Philippine Islands, what it cost the United States to maintain the government of the islands, and it became evident that the general public was not aware of the fact that the civil government of the islands was maintained by its own revenues and not by the moneys of the United States. Inquiries also indicated the ignorance of the fact that most of the official positions in the islands were occupied by Filipinos, and that the natives participated in the exercise of the powers of all branches of the government. These letters suggested the advisability of a compilation which would present the desired information in form and space adapted to the use of persons interested in the general subject or special phases thereof who lacked time or opportunity to examine all the documents involved. For these reasons the document was prepared, setting forth briefly what has been done in the Philippines. The demand for this publication, which was printed as a Senate document, has been large, and the insular government has ordered a special edition of 2,000 to be forwarded to Manila.

REPORTS OF THE PHILIPPINE COMMISSION.

During the current year the Bureau has performed the work incident to the publication, proof reading, indexing, and distribution of the fourth annual report of the Philippine Commission, for 1903, comprising three volumes; one volume of the acts of the Commission, from act No. 425 to act No. 949, inclusive. To meet the demand for reports of prior years, a compilation of the reports of the Philippine Commission, the civil governor, and the heads of the executive departments of the civil government of the Philippine Islands, from 1900 to 1903, inclusive, without appendices, has been prepared and printed.

CODIFICATION OR REVISION OF SEVERAL OF THE MORE IMPORTANT ENACTMENTS OF THE PHILIPPINE COMMISSION.

Among the early acts of the Philippine Commission were those providing a “civil-service act,” a “provincial-government act,” and the “municipal code.” As the legislation was for the purpose of providing government for a race of people who had been subjected for centuries to a form of government different from ours, the problem presented was a difficult one. These early enactments were of necessity tentative in a measure, and as the conditions cleared up and the effect of the laws in their operation was observed numerous amendments suggested themselves and were enacted from time to time. In order to place such laws and others in a succinct form there has been recently undertaken the codification or revision of the more important. Such provisions as have been repealed are eliminated from the original acts and amendment or addition inserted in their proper places.

In addition, copious notes were made of acts which, although not amendatory in terms, change in a measure the provisions of the original. “The provincial government act,” with such modifications as have been made up to July 1, 1904, is completed, and will be transmitted to the Commission for publication should such action to it be deemed desirable.

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DOCUMENTS.

In addition to the Monthly Summary of Commerce of the Philippine Islands, of which an edition of 2,000 is published, there have been mailed out 40,000 volumes of the various official annual reports of the insular authorities and multitudinous smaller publications, such as Senate and House documents, bulletins, and reports of the various bureaus and departments of the insular government. There is also forwarded to the Philippines copies of all publications issued by the Federal Government.

CUBAN RECORDS.

The Bureau is also charged with the care of civil records of the late military government of Cuba. These records include original papers of all kinds pertaining to the administration of civil affairs, original drafts of important executive orders, contracts, vouchers, paid checks and money orders, customs entries, correspondence, and other official papers and documents.

These records have been deposited in a fireproof building rented under an appropriation by Congress and are contained in 275 cases, distributed as follows:

	Cases.
Auditors' records.....	127
Collector of customs.....	36
Department of Habana.....	11
Department of posts.....	6
Engineer department.....	16
Headquarters.....	42
Miscellaneous.....	20
Treasurers.....	17
Total.....	275

These for the most part are classified and indexed with proper card references, so that the entire record is available.

Continued requests, especially from officials of the Cuban Government, for information relative to the administration of the military government, are received and answered, and certified copies of papers, if proper, are furnished.

These records have proven to be of peculiar value in suits that have been brought against the United States, and original records under the custody of an employee of the Bureau have been forwarded to the courts for use in the trial of the cause.

CORRESPONDENCE AND RECORDS.

The work connected with the correspondence and the records during the past year has been arduous, necessitating much work after office hours.

During the period covered by this report 2,694 telegrams and 347 cablegrams have been sent, and 326 cablegrams received, but it should be stated that this method of communication is only resorted to when necessary. The fixed practice of using mimeograph letters whenever similarity justifies it has been followed. At this time about 45 of such letters and circulars have been and are in current use. Not less than 30,000 letters and 3,000 indorsements have been written, and it is safe to assume that a greater number of communications have been

received; to this should be added the great amount of correspondence which has been carried on by mimeograph letters, and over 800 transportation orders which were issued.

The system of card-index records is used to handle this vast amount of correspondence, one card being allotted to each subject; and this same system is applied to the insular reports, both in print and in manuscript, and claims and acts of the Philippine Commission, as well as to circulars and orders. At this time there are over 13,000 record cards in current use, covered by about 60,000 consolidated index cards. During the year all claims which, if allowed, would be a charge against United States revenues have been withdrawn from the files of this office and sent to the Secretary of War.

ORGANIZATION AND PERSONNEL.

The work of this Bureau, other than that of the law officer, continues to be performed by an organization consisting of the following divisions: Correspondence, records, purchasing and disbursing, compilation and Cuban records, statistics, accounting, and Philippine insurgent captured records.

The present force consists of one law officer, who is also the general counsel for the Isthmian Canal Commission, and a force of 59 clerks and 11 messengers, laborers, and charwomen. With the exception of 2 clerks with compensation at the rate of \$1,800 per annum, performing the duties of chiefs of divisions and paid out of the unexpended balance on July 1, 1904, of \$6,257.28 of the appropriation of \$30,000 for the compilation of a statement of the receipts and expenditures of the Philippine Islands, the present force is specifically provided for and classified by law under the current appropriation for the Executive Departments at Washington. In the submission of estimates for the fiscal year 1906 appropriation has been requested for the existing classified force, and further that the two employees at \$1,800 now paid out of the unexpended balance above mentioned be incorporated in the regular classified force in addition to 2 clerks at \$1,000, the minimum increase necessary to properly perform the duties imposed upon this office, and to, in a measure, avoid the necessity for the continued overtime work which the force has been called upon to perform during the past year to keep abreast of the current work.

Having in mind the declared policy of the Secretary of War that estimates for the personnel should be submitted at the lowest possible minimum this Bureau did not submit estimates which, if enacted into law, would relieve it of a severe drain upon its efficient personnel. The duties of this office partake of such a varied nature that continued service is a most potent factor in its efficiency, and the loss of a clerk who has been trained and schooled in the performance of his work and his substitution by the appointment of a person from the civil service eligible list without such experience is a handicap to the work until such new appointee can acquire that familiarity which only comes from experience with the work. Since the creation of this office a few years ago the official records show that 56 employees, many of them of long experience and thoroughly grounded in insular matters, have separated themselves from the Bureau solely in order to accept appointment at higher salaries in other branches of the Government service.

CONCLUSION.

In concluding this report I desire to acknowledge, with appreciation the kindly cooperation and assistance which this Bureau has received from the representatives of the various departments, bureaus, and offices at Washington, with which its multitudinous duties have necessitated frequent conferences and exchange of correspondence; and to extend my personal thanks to them.

I also desire to make mention of the zeal and fidelity displayed by the force of this Bureau, and its willingness to respond to every call made upon it.

Respectfully submitted.

CLARENCE R. EDWARDS,
Colonel, U. S. Army, Chief of Bureau.

APPENDIX.

[58th Cong., 2d sess. In the Senate of the United States. April 15, 1904. Read twice, placed on the Calendar in lieu of S. 5328, and ordered to be printed.]

AN ACT To amend an Act approved July first, nineteen hundred and two, entitled "An Act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," and to amend an Act approved March eighth, nineteen hundred and two, entitled "An Act temporarily to provide revenue for the Philippine Islands, and for other purposes," and to amend an Act approved March second, nineteen hundred and three, entitled "An Act to establish a standard of value and to provide for a coinage system in the Philippine Islands," and to provide for the more efficient administration of civil government in the Philippine Islands, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all bonds issued by the government of the Philippine Islands, or by its authority, shall be exempt from taxation by the Government of the United States, or by the government of the Philippine Islands or of any political or municipal subdivision thereof, or by any State, or by any county, municipality, or other municipal subdivision of any State or Territory of the United States, or by the District of Columbia.

SEC. 2. That for the purpose of providing funds to construct port and harbor works, bridges, roads, buildings for provincial and municipal schools, court-houses, penal institutions, and other public improvements for the development of the Philippine Islands by the general government thereof, the said government is authorized from time to time to incur indebtedness, borrow money, and to issue and sell therefor (at not less than par value in gold coin of the United States) registered or coupon bonds of such denominations and payable at such time or times, not later than forty years after the date of the approval of this Act, as may be determined by said government, with interest thereon not to exceed four and one-half per centum per annum: *Provided*, That the entire indebtedness of said government created by the authority conferred by this section shall not exceed at any one time the sum of five million dollars: *And provided further*, That the law of said government creating the indebtedness and authorizing the issue of the bonds under this section shall be approved by the President of the United States.

SEC. 3. That section sixty-six of the Act of Congress approved July first, nineteen hundred and two, entitled "An Act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," is hereby amended to read as follows:

"SEC. 66. That for the purpose of providing funds to construct sewers, to furnish adequate sewer and drainage facilities, to secure a sufficient supply of water, and to provide all kinds of municipal betterments and improvements in municipalities, the government of the Philippine Islands, under such limitations, terms, and conditions as

it may prescribe, with the consent and approval of the President of the United States, may authorize and enable, by appropriate legislation, any municipality of said islands to incur indebtedness, borrow money, and to issue and sell (at not less than par value in gold coin of the United States) registered or coupon bonds, in such amount and payable at such time as may be determined by the government of said islands, with interest thereon not to exceed five per centum per annum: *Provided*, That the entire indebtedness of any municipality shall not exceed five per centum of the assessed valuation of the property in said municipality, and any obligation in excess of such limit shall be null and void."

SEC. 4. That for the purpose of aiding in the construction, equipment, operation, and maintenance of railroads, using steam, electricity, or other power, in the Philippine Islands, the general government thereof is authorized to guarantee an income of not exceeding five per centum upon cash capital actually invested in the construction and equipment of such railroads, or any part thereof, the guaranty to be in such form and under such provisions requiring repayment of any sum paid thereunder as said government shall deem to be to the public interest, and the act making the guaranty shall declare the proper rules for ascertaining clearly the cash capital actually invested in said railroads and the net income actually received on said capital so invested, and shall set forth the limit of invested capital to which said guaranty shall apply, and shall provide for supervision by said government of the conduct of the finances of the road and its location, construction, and maintenance, as well as by the presence in the board of directors of two or more government directors, the number and manner of their selection to be determined by law, as also by such further supervision, through the auditing, engineering, and railroad bureaus of said government, as the public interest shall require. The said guaranty may be made in the form of a guaranty of interest on bonds or of income on preferred or common stock, or in such other form as may be determined by said government, and shall be made on such other terms and conditions as said government shall approve: *Provided, however*, That the total annual contingent liability of said government under the guaranties authorized by this section shall not at any time exceed the sum of one million five hundred thousand dollars, and that no such guaranty shall continue for a longer period than thirty years.

SEC. 5. That material imported into the Philippine Islands for the construction and equipment of railroads therein may, in the discretion of the general government of said islands, under rules and regulations to be by it prescribed, be admitted free of duty.

SEC. 6. That the immigration laws of the United States in force in the Philippine Islands shall be administered by the officers of the general government thereof designated by appropriate legislation of said government, and all moneys collected under said laws as duty or head tax on alien immigrants coming into said islands shall not be covered into the general fund of the Treasury of the United States, but shall be paid into the treasury of said islands to be used and expended for the government and benefit of said islands.

SEC. 7. That the government of the Philippine Islands is hereby authorized to prescribe the compensation for the chief justice and associate justices of the supreme court of the islands, not to exceed

ten thousand five hundred dollars for the chief justice and ten thousand dollars for each associate justice per annum. Whenever, by reason of temporary disability of any judge of the supreme court or by reason of vacancies occurring therein, a quorum of the court shall not be present for business the governor-general of said islands is authorized to designate a judge or judges of the court of first instance in the islands to sit and act temporarily as a judge or judges of the supreme court in order to constitute a quorum of said supreme court for business. If a judge so designated shall not have his usual place of residence at the city of Manila he shall be allowed his traveling expenses from his usual place of residence to Manila and return and the sum of ten pesos Philippine currency a day for the period during which he is engaged in the supreme court, the period to be calculated from the time he leaves his usual place of residence until his return from Manila.

SEC. 8. That the civil governor of the Philippine Islands shall hereafter be known as the governor-general of the Philippine Islands.

SEC. 9. That sections twenty-two, twenty-three, twenty-four, twenty-five, twenty-nine, thirty-one, thirty-six, thirty-seven, thirty-nine, fifty-three, and fifty-eight of the act of Congress approved July first, nineteen hundred and two, entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," being provisions of said act respecting mineral lands, are hereby amended by reducing all measurements therein, whether of distance, area, or value, to the metric system, to wit, feet to meters, acres to hectares, miles to kilometers, and also dollars to pesos, so that said sections as amended shall read as follows:

"SEC. 22. That mining claims upon land containing veins or lodes of quartz or other rock in place-bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits located after the passage of this act, whether located by one or more persons qualified to locate the same under the preceding section, shall be located in the following manner and under the following conditions: Any person so qualified desiring to locate a mineral claim shall, subject to the provisions of this act with respect to land which may be used for mining, enter upon the same and locate a plat of ground measuring, where possible, but not exceeding three hundred meters in length by three hundred meters in breadth, in as nearly as possible a rectangular form; that is to say, all angles shall be right angles, except in cases where a boundary line of a previously surveyed claim is adopted as common to both claims, but the lines need not necessarily be meridional. In defining the size of a mineral claim it shall be measured horizontally, irrespective of inequalities of the surface of the ground.

"SEC. 23. That a mineral claim shall be marked by two posts, placed as nearly as possible on the line of the ledge or vein, and the posts shall be numbered one and two, and the distance between posts numbered one and two shall not exceed three hundred meters, the line between posts numbered one and two to be known as the location line; and upon posts numbered one and two shall be written the name given to the mineral claim, the name of the locator, and the date of the location. Upon post numbered one there shall be written, in addition to the foregoing, 'Initial post,' the approximate compass bearing of post numbered two, and a statement of the number of

"SEC. 24. That when a claim has been located the holder shall immediately mark the line between posts numbered one and two, so that it can be distinctly seen. The locator shall also place a post at the point where he has found minerals in place, on which shall be written 'Discovery post:' *Provided*, That when the claim is surveyed the surveyor shall be guided by the records of the claim, the sketch plan on the back of the declaration made by the owner when the claim was recorded, posts numbered one and two, and the notice on number one, the initial post.

1.



2.



No. 1 post:

“SEC. 29. That no mineral claim which, at the date of its record, is known by the locator to be less than a full-sized mineral claim shall be recorded without the word ‘fraction’ being added to the name of the claim and the application being accompanied by an affidavit or solemn declaration made by the applicant or some person on his behalf cognizant of the facts: That the legal posts and notices have been put up; that mineral has been found in place on the fractional claim proposed to be recorded; that the ground applied for is unoccupied by any other person. In the said declaration shall be set out the name

of the applicant and the date of the location of the claim. The words written on the posts numbered one and two shall be set out in full and as accurate a description as possible of the position of the claim given. A sketch plan shall be drawn by the applicant on the back of the declaration, showing as near as may be the position of the adjoining mineral claims and the shape and size, expressed in meters, of the claim or fraction desired to be recorded: *Provided*, That the failure on the part of the locator of a mineral claim to comply with any of the foregoing provisions of this section shall not be deemed to invalidate such location if, upon the facts, it shall appear that such locator has actually discovered mineral in place on said location and that there has been on his part a bona fide attempt to comply with the provisions of this act, and that the nonobservance of the formalities hereinbefore referred to is not of a character calculated to mislead other persons desiring to locate claims in the vicinity.

"SEC. 31. That every person locating a mineral claim shall record the same with the provincial secretary, or such other officer as by the government of the Philippine Islands may be described as mining recorder of the district within which the same is situate, within thirty days after the location thereof. Such record shall be made in a book to be kept for the purpose in the office of the said provincial secretary or such other officer as by said government described as mining recorder, in which shall be inserted the name of the claim, the name of each locator, the locality of the mine, the direction of the location line, the length in meters, the date of location, and the date of the record. A claim which shall not have been recorded within the prescribed period shall be deemed to have been abandoned."

"SEC. 36. That the United States Philippine Commission or its successors may make regulations, not in conflict with the provisions of this Act, governing the location, manner of recording, and amount of work necessary to hold possession of a mining claim, subject to the following requirements:

"On each claim located after the passage of this Act, and until a patent has been issued therefor, not less than two hundred pesos' worth of labor shall be performed or improvements made during each year: *Provided*, That upon a failure to comply with these conditions the claim or mine upon which such failure occurred shall be open to relocation in the same manner as if no location of the same had ever been made, provided that the original locators, their heirs, assigns, or legal representatives have not resumed work upon the claim after failure and before such location. Upon the failure of any one of several coowners to contribute his proportion of the expenditures required thereby, the coowners who have performed the labor or made the improvements may, at the expiration of the year, give such delinquent coowners personal notice in writing, or notice by publication in the newspaper published nearest the claim, and in two newspapers published at Manila, one in the English language and the other in the Spanish language, to be designated by the chief of the Philippine insular bureau of public lands, for at least once a week for ninety days, and if, at the expiration of ninety days after such notice in writing or by publication, such delinquent shall fail or refuse to contribute his proportion of the expenditure required by this section, his interest in the claim shall become the property of his coowners who have made the required expenditures. The period within which

the work required to be done annually on all unpatented mineral claims shall commence on the first day of January succeeding the date of location of such claim.

"SEC. 37. That a patent for any land claimed and located for valuable mineral deposits may be obtained in the following manner: Any person, association, or corporation authorized to locate a claim under this Act, having claimed and located a piece of land for such purposes, who has or have complied with the terms of this Act, may file in the office of the provincial secretary, or such other officer as by the government of said islands may be described as mining recorder of the province wherein the land claimed is located, an application for a patent, under oath, showing such compliance, together with a plat and field notes of the claim or claims in common, made by or under the direction of the chief of the Philippine insular bureau of public lands, showing accurately the boundaries of the claim, which shall be distinctly marked by monuments on the ground, and shall post a copy of such plat, together with a notice of such application for a patent, in a conspicuous place on the land embraced in such plat previous to the filing of the application for a patent, and shall file an affidavit of at least two persons that such notice has been duly posted, and shall file a copy of the notice in such office, and shall thereupon be entitled to a patent for the lands, in the manner following: The provincial secretary, or such other officer as by the Philippine government may be described as mining recorder, upon the filing of such application, plat, field notes, notices, and affidavits, shall publish a notice that such an application has been made, once a week for the period of sixty days, in a newspaper to be by him designated as nearest to such claim, and in two newspapers published at Manila, one in the English language and one in the Spanish language, to be designated by the chief of the Philippine insular bureau of public lands; and he shall also post such notice in his office for the same period. The claimant at the time of filing this application, or at any time thereafter within the sixty days of publication, shall file with the provincial secretary, or such other officer as by the Philippine government may be described as mining recorder, a certificate of the chief of the Philippine insular bureau of public lands that one thousand pesos' worth of labor has been expended or improvements made upon the claim by himself or grantors; that the plat is correct, with such further description by such reference to natural objects or permanent monuments as shall identify the claim, and furnish an accurate description to be incorporated in the patent. At the expiration of the sixty days of publication the claimant shall file his affidavit, showing that the plat and notice have been posted in a conspicuous place on the claim during such period of publication. If no adverse claim shall have been filed with the provincial secretary, or such other officer as by the government of said islands may be described as mining recorder, at the expiration of the sixty days of publication, it shall be assumed that the applicant is entitled to a patent upon the payment to the provincial treasurer, or the collector of internal revenue, of twenty-five pesos per hectare, and that no adverse claim exists; and thereafter no objection from third parties to the issuance of a patent shall be heard, except it be shown that the applicant has failed to comply with the terms of this Act: *Provided*, That where the claimant for a patent is not a resident of or within the province wherein the land containing

the vein, ledge, or deposit sought to be patented is located, the application for patent and the affidavits required to be made in this section by the claimant for such patent may be made by his, her, or its authorized agent where said agent is conversant with the facts sought to be established by said affidavits.

"SEC. 39. That where an adverse claim is filed during the period of publication it shall be upon oath of the person or persons making the same, and shall show the nature, boundaries, and extent of such adverse claim, and all proceedings, except the publication of notice and making and filing of the affidavits thereof, shall be stayed until the controversy shall have been settled or decided by a court of competent jurisdiction or the adverse claim waived. It shall be the duty of the adverse claimant, within thirty days after filing his claim, to commence proceedings in a court of competent jurisdiction to determine the question of the right of possession and prosecute the same with reasonable diligence to final judgment, and a failure so to do shall be a waiver of his adverse claim. After such judgment shall have been rendered the party entitled to the possession of the claim, or any portion thereof, may, without giving further notice, file a certified copy of the judgment roll with the provincial secretary, or such other officer as by the government of the Philippine Islands may be described as mining recorder, together with the certificate of the chief of the Philippine insular bureau of public lands that the requisite amount of labor has been expended or improvements made thereon, and the description required in other cases, and shall pay to the provincial treasurer or the collector of internal revenue of the province in which the claim is situated, as the case may be, twenty-five pesos per hectare for his claim, together with the proper fees, whereupon the whole proceedings and the judgment roll shall be certified by the provincial secretary, or such other officer as by said government may be described as mining recorder, to the secretary of the interior of the Philippine Islands, and a patent shall issue thereon for the claim, or such portion thereof as the applicant shall appear, from the decision of the court, rightly to possess. The adverse claim may be verified by the oath of any duly authorized agent or attorney in fact of the adverse claimant cognizant of the facts stated; and the adverse claimant, if residing or at the time being beyond the limits of the province wherein the claim is situated, may make oath to the adverse claim before the clerk of any court of record, or any notary public of any province or military department of the Philippine Islands, or any other officer authorized to administer oaths where the adverse claimant may then be. If it appears from the decision of the court that several parties are entitled to separate and different portions of the claim, each party may pay for his portion of the claim, with the proper fees, and file the certificate and description by the chief of the Philippine insular bureau of public lands, whereupon the provincial secretary or such other officer as by the government of said islands may be described as mining recorder shall certify the proceedings and judgment roll to the secretary of the interior for the Philippine Islands, as in the preceding case, and patents shall issue to the several parties according to their respective rights. If, in any action brought pursuant to this section, title to the ground in controversy shall not be established by either party, the court shall so find, and judgment shall be entered accordingly. In such case costs shall not be allowed to

either party, and the claimant shall not proceed in the office of the provincial secretary or such other officer as by the government of said islands may be described as mining recorder or be entitled to a patent for the ground in controversy until he shall have perfected his title. Nothing herein contained shall be construed to prevent the alienation of a title conveyed by a patent for a mining claim to any person whatever."

"SEC. 53. That every person above the age of twenty-one years who is a citizen of the United States or of the Philippine Islands, or who has acquired the right of a native of said islands under and by virtue of the treaty of Paris, or any association of persons severally qualified as above, shall, upon application to the proper provincial treasurer, have the right to enter any quality of vacant coal lands of said islands, not otherwise appropriated or reserved by competent authority, not exceeding sixty-four hectares to such individual person, or one hundred and twenty-eight hectares to such association upon payment to the provincial treasurer or the collector of internal revenue, as the case may be, of not less than fifty pesos per hectare for such lands, where the same shall be situated more than twenty-five kilometers from any completed railroad or available harbor or navigable stream, and not less than one hundred pesos per hectare for such lands as shall be within twenty-five kilometers of such road, harbor, or stream: *Provided*, That such entries shall be taken in squares of sixteen or sixty-four hectares, in conformity with the rules and regulations governing the public-land surveys of the said islands in plotting legal subdivisions."

"SEC. 58. That whenever it shall be made to appear to the secretary of any province or the commander of any military department in the Philippine Islands that any lands within the province are saline in character, it shall be the duty of said provincial secretary or commander, under the regulations of the government of the Philippine Islands, to take testimony in reference to such lands, to ascertain their true character, and to report the same to the secretary of the interior for the Philippine Islands; and if upon such testimony the secretary of the interior shall find that such lands are saline and incapable of being purchased under any of the laws relative to the public domain, then and in such case said lands shall be offered for sale at the office of the provincial secretary, or such other officer as by the said government may be described as mining recorder of the province or department in which the same shall be situated, as the case may be, under such regulations as may be prescribed by said government and sold to the highest bidder for cash at a price of not less than six pesos per hectare; and in case such lands fail to sell when so offered, then the same shall be subject to private sale at such office, for cash, at a price not less than six pesos per hectare, in the same manner as other lands in the said islands are sold. All executive proclamations relating to the sales of public saline lands shall be published in only two newspapers, one printed in the English language and one in the Spanish language, at Manila, which shall be designated by said secretary of the interior."

SEC. 10. That section eight of an act of Congress approved March second, nineteen hundred and three, entitled "An act to establish a standard of value and to provide for a coinage system in the Philippine Islands," is hereby amended by striking out the word "ten" in

said section and inserting in lieu thereof the words "five hundred," so that said section when amended shall read as follows:

"SEC. 8. That the treasurer of the Philippine Islands is hereby authorized, in his discretion, to receive deposits of the standard silver coins of one peso authorized by this act to be coined, at the treasury of the government of said islands or any of its branches, in sums of not less than twenty pesos, and to issue silver certificates therefor in denominations of not less than two pesos nor more than five hundred pesos, and coin so deposited shall be retained in the treasury and held for the payment of such certificates on demand, and used for no other purpose. Such certificates shall be receivable for customs, taxes, and for all public dues in the Philippine Islands, and when so received may be reissued, and when held by any banking association in said islands may be counted as a part of its lawful reserve."

SEC. 11. That the government of the Philippine Islands is hereby authorized to modify, suspend, or repeal the provisions respecting tonnage dues set forth in sections fourteen and fifteen of an act entitled "An act to revise and amend the tariff laws of the Philippine Archipelago," enacted by the Philippine Commission on the seventeenth day of September, nineteen hundred and one, and confirmed by an act of Congress approved March eighth, nineteen hundred and two, entitled "An act temporarily to provide revenue for the Philippine Islands, and for other purposes."

SEC. 12. That all acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

Passed the House of Representatives April 14, 1904.

Attest:

A. McDOWELL,
Clerk.

Opinions of the Acting Attorney-General on proposed bonds for the purchase of friar estates in the Philippine Islands.

1. Opinion that the issue of bonds and the form of the bond proposed by the Philippine government, for the purpose of securing funds with which to purchase the friar lands, are in strict conformity with the act of Congress authorizing bonds for that purpose, and are legal in all respects.
2. Opinion that there exists no legal objection to the Register of the Treasury of the United States registering and recording the bonds issued by the Philippine government to secure funds with which to purchase the friar lands; and also that there is no legal objection to the Treasurer of the United States receiving from the Philippine government the money due as principal and interest on said bonds, and distributing the same to the holders of the securities.

DEPARTMENT OF JUSTICE,
Washington, D. C., December 26, 1903.

THE SECRETARY OF WAR.

SIR: In your letter of December 24 you cite sections 63, 64, and 65 of the Philippine civil government act of July 1, 1902, and state that under that legislation the Philippine government has agreed to purchase certain large parcels of land owned by religious orders or other associations, and, for the purpose of providing funds to acquire such lands, is about to borrow money and to issue \$7,200,000 of registered 4 per cent bonds, redeemable at the pleasure of said government after ten years from the date of issue, and payable thirty years from said

date. You inclose a draft of the proposed bond and request an opinion upon the legality of the issue and of the form of bond.

The law in question (32 Stat., pt. 1, pp. 691, 706, 707) provides:

SEC. 63. That the government of the Philippine Islands is hereby authorized, subject to the limitations and conditions prescribed in this act, to acquire, receive, hold, maintain, and convey title to real and personal property, and may acquire real estate for public uses by the exercise of the right of eminent domain.

SEC. 64. That the powers hereinbefore conferred in section sixty-three may also be exercised in respect of any lands, easements, appurtenances, and hereditaments, which, on the thirteenth of August, eighteen hundred and ninety-eight, were owned or held by associations, corporations, communities, religious orders, or private individuals in such large tracts or parcels and in such manner as in the opinion of the Commission injuriously to affect the peace and welfare of the people of the Philippine Islands. And for the purpose of providing funds to acquire the lands mentioned in this section said government of the Philippine Islands is hereby empowered to incur indebtedness, to borrow money, and to issue and to sell at not less than par value, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands, upon such terms and conditions as it may deem best, registered or coupon bonds of said government for such amount as may be necessary, said bonds to be in denominations of fifty dollars or any multiple thereof, bearing interest at a rate not exceeding four and a half per centum per annum, payable quarterly, and to be payable at the pleasure of said government after dates named in said bonds not less than five nor more than thirty years from the date of their issue, together with interest thereon, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands; and said bonds shall be exempt from the payment of all taxes or duties of said government, or any local authority therein or of the Government of the United States, as well as from taxation in any form by or under State, municipal, or local authority in the United States or the Philippine Islands. The moneys which may be realized or received from the issue and sale of said bonds shall be applied by the government of the Philippine Islands to the acquisition of the property authorized by this section, and to no other purposes.

SEC. 65. That all lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be held, sold, and conveyed, or leased temporarily for a period not exceeding three years after their acquisition by said government on such terms and conditions as it may prescribe, subject to the limitation and conditions provided for in this act: *Provided*, That all deferred payments and the interest thereon shall be payable in the money prescribed for the payment of said lands by the preceding section and said deferred payments shall bear interest at the rate borne by the bonds. All moneys realized or received from sales or other disposition of said lands or by reason thereof shall constitute a trust fund for the payment of principal and interest of said bonds, and also constitute a sinking fund for the payment of said bonds at their maturity. Actual settlers and occupants at the time said lands are acquired by the government shall have the preference over all others to lease, purchase, or acquire their holdings within such reasonable time as may be determined by said government.

The proposed form of bond is as follows:

The government of the Philippine Islands is indebted unto _____ or assigns in the sum of one thousand dollars.

This bond is issued in accordance with the provisions of section 64 of an act of Congress entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," approved July 1, 1902, and an act of the Philippine Commission, numbered _____, enacted _____, and is redeemable at the pleasure of the Philippine government after February 1, 1914, and payable February 1, 1934, with interest from the date hereof at the rate of four per centum per annum, payable quarterly on the first days of May, August, November, and February of each year. Both principal and interest are payable at the office of the treasury, in gold coin of the United States of the present standard value, and are exempt from the payment of all taxes or duties of the government of the Philippine Islands or any local authority therein or of the Government of the United States, as well as from taxation in any form by or under State, municipal, or local authority in the United States or the Philippine Islands.

It is evident at the outset, on the face of the proposed bonds, that they will be issued in general "in accordance with the provisions of section 64." This is an assurance by the responsible authorities that the conditions of the law have been and will be fully observed. The express terms of the bond show strict compliance with all the statutory conditions which the obligation itself must or naturally would

incorporate and enumerate. And your letter states that the contract for the purchase of the lands relates to large tracts or parcels held under the defined ownership "in such manner as in the opinion of the Commission (the Philippine Commission) to seriously affect the peace and welfare of the people of the Philippine Islands."

It is to be observed that the bonds must be sold at not less than par value in gold coin of the United States of the present standard value or the equivalent in value of the money of the Philippine Islands. Conformity to this further condition is manifestly and necessarily contemplated by yourself and the authorities of the Philippine government.

It is further to be observed that the law explicitly restricts the application of the proceeds of the loan to the purpose of the acquisition of the property authorized, and creates a trust and sinking fund for the payment of the principal and interest of the bonds. As with government and municipal loans in general, similarly authorized and conditioned, the reliance of purchasers of the bonds for protection and security is upon the statutory grant of authority and upon the credit and responsibility of the governmental obligor supported by its property and assets. In this case the lands to be acquired will constitute by express enactment a portion of the public property of the Philippine government, and all moneys realized from disposition of the lands will form a sinking fund for the bonds. The pledge of the faith and credit of the Philippine government, covering the due application of the proceeds of the loan and the maintenance of the sinking fund, proceeds, then, under authority explicitly conferred by the national power; and while in the strict and legal sense the faith of the United States is not pledged as a guaranty for the payment of the loan, or for the due use of the proceeds or the observance of the sinking fund requirements, the entire transaction is to be negotiated under the auspices of the United States, and by its recognition and aid. The assumption is therefore conclusive and necessary that the terms of the statute as to the application of the moneys realized from the sale of the bonds and as to all moneys realized from disposition of the lands and as to the sinking fund so created will be strictly followed.

I have the honor thus to suggest, outside your precise query, that I see no reason for any legal doubt of the adequacy or extent of the protection and security given to the purchasers of the bonds; and on the whole case, and in response to your particular inquiry, I have the honor to say that I am clear in the opinion that the issue of bonds and the form of bond proposed are in strict conformity with the statute and are legal in all respects.

Very respectfully,

HENRY M. HOYT,
Acting Attorney-General.

DECEMBER 31, 1903.

THE SECRETARY OF THE TREASURY.

SIR: By your letter of December 29 you inquire whether there is any legal objection to the Treasurer of the United States receiving the principal and interest of the Philippine land-purchase bonds from the Philippine government and distributing the same to the holders of the securities, as provided for in the draft of the bond proposed. You also inquire whether there is any legal objection to the Register of the Treasury of the United States registering and recording said bonds.

either party, and the claimant shall not proceed in the office of the provincial secretary or such other officer as by the government of said islands may be described as mining recorder or be entitled to a patent for the ground in controversy until he shall have perfected his title. Nothing herein contained shall be construed to prevent the alienation of a title conveyed by a patent for a mining claim to any person whatever."

"SEC. 53. That every person above the age of twenty-one years who is a citizen of the United States or of the Philippine Islands, or who has acquired the right of a native of said islands under and by virtue of the treaty of Paris, or any association of persons severally qualified as above, shall, upon application to the proper provincial treasurer, have the right to enter any quality of vacant coal lands of said islands, not otherwise appropriated or reserved by competent authority, not exceeding sixty-four hectares to such individual person, or one hundred and twenty-eight hectares to such association upon payment to the provincial treasurer or the collector of internal revenue, as the case may be, of not less than fifty pesos per hectare for such lands, where the same shall be situated more than twenty-five kilometers from any completed railroad or available harbor or navigable stream, and not less than one hundred pesos per hectare for such lands as shall be within twenty-five kilometers of such road, harbor, or stream: *Provided*, That such entries shall be taken in squares of sixteen or sixty-four hectares, in conformity with the rules and regulations governing the public-land surveys of the said islands in plotting legal subdivisions."

"SEC. 58. That whenever it shall be made to appear to the secretary of any province or the commander of any military department in the Philippine Islands that any lands within the province are saline in character, it shall be the duty of said provincial secretary or commander, under the regulations of the government of the Philippine Islands, to take testimony in reference to such lands, to ascertain their true character, and to report the same to the secretary of the interior for the Philippine Islands; and if upon such testimony the secretary of the interior shall find that such lands are saline and incapable of being purchased under any of the laws relative to the public domain, then and in such case said lands shall be offered for sale at the office of the provincial secretary, or such other officer as by the said government may be described as mining recorder of the province or department in which the same shall be situated, as the case may be, under such regulations as may be prescribed by said government and sold to the highest bidder for cash at a price of not less than six pesos per hectare; and in case such lands fail to sell when so offered, then the same shall be subject to private sale at such office, for cash, at a price not less than six pesos per hectare, in the same manner as other lands in the said islands are sold. All executive proclamations relating to the sales of public saline lands shall be published in only two newspapers, one printed in the English language and one in the Spanish language, at Manila, which shall be designated by said secretary of the interior."

SEC. 10. That section eight of an act of Congress approved March second, nineteen hundred and three, entitled "An act to establish a standard of value and to provide for a coinage system in the Philippine Islands," is hereby amended by striking out the word "ten" in

said section and inserting in lieu thereof the words "five hundred," so that said section when amended shall read as follows:

"SEC. 8. That the treasurer of the Philippine Islands is hereby authorized, in his discretion, to receive deposits of the standard silver coins of one peso authorized by this act to be coined, at the treasury of the government of said islands or any of its branches, in sums of not less than twenty pesos, and to issue silver certificates therefor in denominations of not less than two pesos nor more than five hundred pesos, and coin so deposited shall be retained in the treasury and held for the payment of such certificates on demand, and used for no other purpose. Such certificates shall be receivable for customs, taxes, and for all public dues in the Philippine Islands, and when so received may be reissued, and when held by any banking association in said islands may be counted as a part of its lawful reserve."

SEC. 11. That the government of the Philippine Islands is hereby authorized to modify, suspend, or repeal the provisions respecting tonnage dues set forth in sections fourteen and fifteen of an act entitled "An act to revise and amend the tariff laws of the Philippine Archipelago," enacted by the Philippine Commission on the seventeenth day of September, nineteen hundred and one, and confirmed by an act of Congress approved March eighth, nineteen hundred and two, entitled "An act temporarily to provide revenue for the Philippine Islands, and for other purposes."

SEC. 12. That all acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

Passed the House of Representatives April 14, 1904.

Attest:

A. McDOWELL,
Clerk.

Opinions of the Acting Attorney-General on proposed bonds for the purchase of friar estates in the Philippine Islands.

1. Opinion that the issue of bonds and the form of the bond proposed by the Philippine government, for the purpose of securing funds with which to purchase the friar lands, are in strict conformity with the act of Congress authorizing bonds for that purpose, and are legal in all respects.
2. Opinion that there exists no legal objection to the Register of the Treasury of the United States registering and recording the bonds issued by the Philippine government to secure funds with which to purchase the friar lands; and also that there is no legal objection to the Treasurer of the United States receiving from the Philippine government the money due as principal and interest on said bonds, and distributing the same to the holders of the securities.

DEPARTMENT OF JUSTICE,
Washington, D. C., December 26, 1903.

THE SECRETARY OF WAR.

SIR: In your letter of December 24 you cite sections 63, 64, and 65 of the Philippine civil government act of July 1, 1902, and state that under that legislation the Philippine government has agreed to purchase certain large parcels of land owned by religious orders or other associations, and, for the purpose of providing funds to acquire such lands, is about to borrow money and to issue \$7,200,000 of registered 4 per cent bonds, redeemable at the pleasure of said government after ten years from the date of issue, and payable thirty years from said

date. You inclose a draft of the proposed bond and request an opinion upon the legality of the issue and of the form of bond.

The law in question (32 Stat., pt. 1, pp. 691, 706, 707) provides:

SEC. 63. That the government of the Philippine Islands is hereby authorized, subject to the limitations and conditions prescribed in this act, to acquire, receive, hold, maintain, and convey title to real and personal property, and may acquire real estate for public uses by the exercise of the right of eminent domain.

SEC. 64. That the powers hereinbefore conferred in section sixty-three may also be exercised in respect of any lands, easements, appurtenances, and hereditaments, which, on the thirteenth of August, eighteen hundred and ninety-eight, were owned or held by associations, corporations, communities, religious orders, or private individuals in such large tracts or parcels and in such manner as in the opinion of the Commission injuriously to affect the peace and welfare of the people of the Philippine Islands. And for the purpose of providing funds to acquire the lands mentioned in this section said government of the Philippine Islands is hereby empowered to incur indebtedness, to borrow money, and to issue and to sell at not less than par value, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands, upon such terms and conditions as it may deem best, registered or coupon bonds of said government for such amount as may be necessary, said bonds to be in denominations of fifty dollars or any multiple thereof, bearing interest at a rate not exceeding four and a half per centum per annum, payable quarterly, and to be payable at the pleasure of said government after dates named in said bonds not less than five nor more than thirty years from the date of their issue, together with interest thereon, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands; and said bonds shall be exempt from the payment of all taxes or duties of said government, or any local authority therein or of the Government of the United States, as well as from taxation in any form by or under State, municipal, or local authority in the United States or the Philippine Islands. The moneys which may be realized or received from the issue and sale of said bonds shall be applied by the government of the Philippine Islands to the acquisition of the property authorized by this section, and to no other purposes.

SEC. 65. That all lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be held, sold, and conveyed, or leased temporarily for a period not exceeding three years after their acquisition by said government on such terms and conditions as it may prescribe, subject to the limitation and conditions provided for in this act: *Provided*, That all deferred payments and the interest thereon shall be payable in the money prescribed for the payment of said lands by the preceding section and said deferred payments shall bear interest at the rate borne by the bonds. All moneys realized or received from sales or other disposition of said lands or by reason thereof shall constitute a trust fund for the payment of principal and interest of said bonds, and also constitute a sinking fund for the payment of said bonds at their maturity. Actual settlers and occupants at the time said lands are acquired by the government shall have the preference over all others to lease, purchase, or acquire their holdings within such reasonable time as may be determined by said government.

The proposed form of bond is as follows:

The government of the Philippine Islands is indebted unto ———— or assigns in the sum of one thousand dollars.

This bond is issued in accordance with the provisions of section 64 of an act of Congress entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," approved July 1, 1902, and an act of the Philippine Commission, numbered ———, enacted ———, and is redeemable at the pleasure of the Philippine government after February 1, 1914, and payable February 1, 1934, with interest from the date hereof at the rate of four per centum per annum, payable quarterly on the first days of May, August, November, and February of each year. Both principal and interest are payable at the office of the treasury, in gold coin of the United States of the present standard value, and are exempt from the payment of all taxes or duties of the government of the Philippine Islands or any local authority therein or of the Government of the United States, as well as from taxation in any form by or under State, municipal, or local authority in the United States or the Philippine Islands.

It is evident at the outset, on the face of the proposed bonds, that they will be issued in general "in accordance with the provisions of section 64." This is an assurance by the responsible authorities that the conditions of the law have been and will be fully observed. The express terms of the bond show strict compliance with all the statutory conditions which the obligation itself must or naturally would

incorporate and enumerate. And your letter states that the contract for the purchase of the lands relates to large tracts or parcels held under the defined ownership "in such manner as in the opinion of the Commission (the Philippine Commission) to seriously affect the peace and welfare of the people of the Philippine Islands."

It is to be observed that the bonds must be sold at not less than par value in gold coin of the United States of the present standard value or the equivalent in value of the money of the Philippine Islands. Conformity to this further condition is manifestly and necessarily contemplated by yourself and the authorities of the Philippine government.

It is further to be observed that the law explicitly restricts the application of the proceeds of the loan to the purpose of the acquisition of the property authorized, and creates a trust and sinking fund for the payment of the principal and interest of the bonds. As with government and municipal loans in general, similarly authorized and conditioned, the reliance of purchasers of the bonds for protection and security is upon the statutory grant of authority and upon the credit and responsibility of the governmental obligor supported by its property and assets. In this case the lands to be acquired will constitute by express enactment a portion of the public property of the Philippine government, and all moneys realized from disposition of the lands will form a sinking fund for the bonds. The pledge of the faith and credit of the Philippine government, covering the due application of the proceeds of the loan and the maintenance of the sinking fund, proceeds, then, under authority explicitly conferred by the national power; and while in the strict and legal sense the faith of the United States is not pledged as a guaranty for the payment of the loan, or for the due use of the proceeds or the observance of the sinking fund requirements, the entire transaction is to be negotiated under the auspices of the United States, and by its recognition and aid. The assumption is therefore conclusive and necessary that the terms of the statute as to the application of the moneys realized from the sale of the bonds and as to all moneys realized from disposition of the lands and as to the sinking fund so created will be strictly followed.

I have the honor thus to suggest, outside your precise query, that I see no reason for any legal doubt of the adequacy or extent of the protection and security given to the purchasers of the bonds; and on the whole case, and in response to your particular inquiry, I have the honor to say that I am clear in the opinion that the issue of bonds and the form of bond proposed are in strict conformity with the statute and are legal in all respects.

Very respectfully,

HENRY M. HOYT,
Acting Attorney-General.

DECEMBER 31, 1903.

THE SECRETARY OF THE TREASURY.

SIR: By your letter of December 29 you inquire whether there is any legal objection to the Treasurer of the United States receiving the principal and interest of the Philippine land-purchase bonds from the Philippine government and distributing the same to the holders of the securities, as provided for in the draft of the bond proposed. You also inquire whether there is any legal objection to the Register of the Treasury of the United States registering and recording said bonds.

The language of the proposed form of bond is, "both principal and interest are payable at the office of the Treasurer of the United States," but there is no specific reference on the face of the proposed form to registration.

There is no law expressly authorizing such use of the office facilities of the Treasurer of the United States and the Register of the Treasury, and the question is whether there is any law which expressly or by plain implication forbids the proposed action; and in case there is no such law, whether, in view of the relations between the Government of the United States and the Philippine government under existing legislation, and in view of certain precedents and analogies, you may legally authorize the plan suggested.

Section 243, Revised Statutes, forbids the Secretary of the Treasury, the Treasurer, and the Register, among other officers, to be concerned or interested directly or indirectly in the purchase or disposal of public securities of the United States or of any State. The obvious purpose of that law, as shown throughout the section, is to prohibit personal interest in such bond issues and certain other affairs and business and private emolument or gain in the transaction of any business in the Treasury Department. Necessarily, no such interest or emolument is contemplated in the present case; but while the spirit and purpose of that statute would control the exercise of the functions now invoked, it does not prohibit them. There is, then, in existing law neither specific authority nor prohibition; the power is neither granted nor denied by express language or by clear implication. Undoubtedly as a general rule, when it is sought to exercise any official power or function, explicit authority must be found in the law; but the application of this doctrine is not necessarily universal, and depends upon the character and relations of the particular power and all the germane circumstances.

In the nature of the case, and under the necessary and established practice, as well as by force of section 161, Revised Statutes, the Secretary of the Treasury directs all the operations of the Department, the conduct of the officers serving in it and under him, and the performance of its business. In the present matter, consequently, it is essential that the course proposed should receive your approval as head of the Department supervising all its activities. But I conceive that this novel situation is not one in which you would positively direct the Treasurer, but one calling upon him to act, because of his official capacity, it is true, yet still in a personal way *sub modo*, and subject to the exercise of his individual choice and discretion. In short, as it appears to me, if the Philippine government sees fit to commit the receipt and disbursement of the funds for the interest and the principal of the bonds to the Treasurer of the United States acting as the agent *pro hoc vice* of that government, and the Treasurer is willing, with your approval, to undertake the trust, the transaction is natural and legitimate, and I am aware of no statutory enactment or principle of law which offers an obstacle. I say the transaction in this view is natural and legitimate; that statement calls for more particular discussion of the legal relations and precedents involved.

The loan is issued by the authority of the United States for a purpose of great consequence to the Philippine Islands and to the United States as well, in its sovereign and governmental connection with the islands (secs. 63, 64, 65 of the Philippine civil government act of

July 1, 1902; 32 Stat., 691). Although the loan is not legally guaranteed by the United States, the issue is obviously made over its faith and credit and by its aid and recognition. The bonds are offered to the public under the auspices of the United States "by direction of the Secretary of War and the authority of the government of the Philippine Islands," founded upon the act of Congress.

It is pertinent to observe that all the laws of the Philippine Commission are enacted, in conformity with the first section of the act of Congress just cited "by authority of the United States;" and it seems that when an agent or representative of the Philippine government in this country is appointed, the Philippine enactment also proceeds "with the consent of the Secretary of War first had." (Public Laws and Resolutions passed by the United States Philippine Commission, 1901, *passim*; *id.*, p. 273, in re "Disbursing Agent.") This clause calls up the function and powers of the Secretary of War relative to the government of the Philippines, which rest upon the instructions of President McKinley to the Philippine Commission of April 7, 1900, directing the Commission to report to the Secretary of War, and that their action be subject to his approval and control. This direction was recognized and confirmed in the first section of the act of July 1, 1902, *supra*.

Furthermore, Congress has already established relations between the Treasury of the United States and the treasury of the Philippine Islands regarding the deposit and transfer of public moneys (act of March 8, 1902; 32 Stat., 54); and the bonds in question are to be issued by officers of the United States in execution of a specific act of Congress (*supra*). It appears also from the announcement circular of the Bureau of Insular Affairs of the War Department, inviting subscriptions to the bonds, from which I have already quoted the clause impressing the sanction and authority of the Secretary of War upon the call for bids and the entire negotiation, that by your direction the Treasury Department, under certain conditions, will accept the bonds as security for deposits of public money and in substitution for Government bonds now held as such security.

It appears further that the instructions from the Secretary of War to the civil governor of the Philippines, dated May 9, 1902, authorizing the latter to negotiate for and determine upon a sale of the lands of the religious orders in the Philippines, was transmitted to the Philippine Committee of the Senate June 6, 1902. (Senate Doc. No. 331, pt. 3, 57th Cong., 1st sess., p. 2924.) And it appears that the report of the House Committee on Insular Affairs, dated April 10, 1902, which recommended the passage of the Philippine civil government bill (now the act of July 1, 1902, *supra*), sets out the "Friars' lands" question with Governor Taft's testimony before the committee. (H. R. Report No. 1540, 57th Cong., 1st sess., p. 4; see also report No. 2496, 57th Cong., 1st sess., p. 19.)

The report of the Senate Philippine Committee of March 31, 1902, (Senate Report, No. 915, 57th Cong., 1st sess., p. 2), emphasizes the necessity of providing for the purchase of those lands under the provisions of sections 63-65 of the law as finally adopted.

Thus it appears that Congress passed the law with full knowledge of all the elements and necessities of the situation.

These facts, with similar facts and the statutes and laws cited, as

well as others (of coinage sections 76-83, act of July 1, 1902), show the close relation of the United States, its officers and instrumentalities, to this purchase of lands and issue of bonds, and to the financial situation in general in the Philippine Islands. The interest and credit of the United States are deeply and essentially concerned in these matters.

It is, however, true that when the Treasurer of the United States transacts such business as is now proposed, not covered by his original and general duties in the Treasury Department service (Secs. 301-311, Rev. Stat.), he proceeds customarily under specific authority of law. It appears that the Treasurer, by special act of Congress, now performs similar duties as agent for a number of funds. These funds are never covered into the Treasury; otherwise it would require an act of Congress to authorize the disbursement thereof. (Secs. 3593, 3620, 3675, Rev. Stat.) Thus, for example, by the acts of June 20, 1874, and February 20, 1875 (18 Stat., 116; id., 332), it was expressly provided that the 3.65 per cent bonds of the District of Columbia, for the payment of the principal and interest of which, and the creation of a sinking fund, the faith of the United States was explicitly pledged, should be registered in the office of the Register of the Treasury, and the interest thereon should be payable at the Treasury of the United States. (See also the acts of March 3, 1891, 26 Stat., 1103, and of August 13, 1894, 28 Stat., 277.)

On the other hand, there is a precedent instance in which the Treasurer performs a similar function to the one now contemplated without specific authority of law, and the exception is in the case of the fund known as the "whole cost fund" of the District of Columbia. This fund is composed of moneys received by the District to cover the cost of certain municipal work performed by it for property owners, subject to ultimate return of the difference between the amount received and the actual cost. Public considerations rendered it important that this business of the District should be transacted by the Treasury, and it seems that, with your approval, the Treasurer, at the request of the Commissioners of the District, assented to the opening of a separate account on the books of his office, known as the "whole cost funds," and thereupon received and disbursed moneys on that account, the work being undertaken rather as a service of comity than a matter of formal responsibility.

This instance seems to me to furnish a sufficient analogy and precedent for the course proposed in the present case.

It is, however, proper for me to notice various other points suggested by the foregoing review.

The bond given by the Treasurer (sec. 302, Rev. Stat.) is conditioned for the faithful performance of the duties of his office (Rev. Stat., supra, and various special acts as herein cited, with others) and for the fidelity of the persons by him employed in those duties. The service now proposed is not such a duty, and if, therefore, the Philippine government desires or needs protection, it appears to be necessary to provide through appropriate enactments of the Commission or by the proper authorities acting in their behalf, for a specific bond to cover this separate transaction and responsibility to be undertaken by the Treasurer. If for this reason or any other it should be deemed proper to grant special compensation to the Treasurer for the service, it is probable that action by Congress as well as the Philippine Commission

would be requisite in view of the statutes generally forbidding an officer of the United States to receive additional compensation or allowance for his services (sec. 1765, Rev. Stat., act of June 20, 1874, 18 Stat., 85, *inter alia*), and especially in view of sec. 243, Rev. Stat., referred to *ante*. But it must be said that the statutes prohibiting extra compensation—as distinguished from section 243 denouncing private emolument for transacting any business in the Treasury Department—contemplate additional allowances from the United States for work in its service. And it seems, accordingly, that in numerous instances a separate compensation has been given to United States officers for separate duties performed for our insular governments. By express authority of Congress, officers of the Army are acting as officers of the Philippine constabulary, and are receiving special compensation for that service (act of January 30, 1903; 32 Stat., 783). Without express authority from Congress, officers of the United States Army serving in Cuba received special compensation from the Cuban revenues; and it appears that this fact was frequently reported to Congress during a series of years, and met the approval of committees and never received dissent or disapproval from either House of Congress. An officer of the Bureau of Insular Affairs in the War Department receives at present under a law of the Philippine Commission (Public Laws and Resolutions passed by the U. S. Philippine Commission, 1901, p. 273, *ut supra*) extra compensation for performing the duties of disbursing agent for that government in the United States.

It is certain, however, that the United States can not properly be charged with any extra expense incurred by its regular departmental service because of this transaction; and since, further, there is no existing appropriation out of which the necessary clerical hire and other items of cost could legally be defrayed it seems necessary for the Philippine government to provide for defraying such items of expense. You may, for some or all of the reasons inferable from the preceding discussion, deem it judicious to seek to obtain Congressional action which shall specifically recognize and provide for the entire situation presented, or for the various features of expense, compensation to the Government or its officers, official liability for the faithful performance of the trust, etc. Legislation by Congress might take the form of conferring authority upon you or other officers of the Government in advance of any administrative action whatever upon such unsettled points, or might specifically confirm or approve the action which you may conclude to take forthwith. Of course what I have said herein with special reference to the Treasurer of the United States applies equally to the Register of the Treasury.

But however you may determine to proceed upon the collateral matters and subsidiary aspects of the case referred to—in response to your particular inquiry, which is the main and essential one, I have the honor to advise you, upon full consideration, that if the Treasurer of the United States and the Register of the Treasury are willing to undertake the respective services proposed on behalf of the Philippine government, and if you consent and approve, I am aware of no legal objection to carrying out the arrangement without specific authority of law.

Very respectfully,

HENRY M. HOYT,
Acting Attorney-General.

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Schools—

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Postal revenues: 304.

Schools—

Buildings: 880.

Total number: 903.

ZAMBOANGA PROVINCE :

Philippines Constabulary, stations and strength: 61.

Port business: 508.

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